

**U.S. Department of  
Transportation**

**BUDGET  
ESTIMATES  
FISCAL YEAR 2015**

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**OFFICE OF  
THE SECRETARY  
OF TRANSPORTATION**

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

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY**

**FY 2015 CONGRESSIONAL BUDGET JUSTIFICATION**

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<p><b>GENERAL NOTES</b></p> <p>Detail in this document may not add to the totals due to rounding.</p>
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## OFFICE OF THE SECRETARY

## OVERVIEW

The Office of the Secretary (OST) requests \$1.7 billion in FY 2015 for the programs and activities of the Office of the Secretary (OST). A total of \$359 million of discretionary funding is requested for OST programs, including funds to: supplement the mandatory funding for the Essential Air Service program; improve cyber security; update the Department's financial system; and establish an Interagency Permitting Acceleration Team and a Safe Transportation of Energy Products Fund to assist in responding to safety issues surrounding crude oil. The President's request also includes \$1.25 billion of mandatory funding to continue the TIGER Grants program and \$106 million of mandatory funding for the Essential Air Service program.

In the FY 2014 enacted appropriations, the Research and Innovative Technology Administration (RITA) became a new office within the Office of the Secretary, the Assistant Secretary for Research and Technology. This budget proposes to continue to strengthen research functions across the Department by providing a prominent centralized focus on research and technology, which will improve coordination and collaboration among operating administrations, resulting in higher quality research outcomes.

The FY 2015 request includes:

- \$109.9 million for Salaries and Expenses for the Secretarial offices. This is \$2.9 million above the FY 2014 enacted level. Of that amount, \$0.25 million is for 3 FTEs associated with 6 new positions for the Office of the Chief Information Officer to support IT compliance and governance; and changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) annualization of new FY 2014 positions; (3) an estimated 1 percent pay raise for 2015; (4) an estimated 1 percent inflation increase; and (5) adjustments to GSA Rent, Working Capital Fund, FECA charges, FERS and FEHB changes where applicable.
- \$5 million for Financial Management Capital, \$2 million below the FY 2014 enacted level, to complete the multi-year project to upgrade DOT's accounting system and enhance reporting capabilities.
- \$9.6 million for the Departmental Office of Civil Rights (DOCR), the same as the FY 2014 enacted level, to continue to support and advance internal and external civil rights initiatives, administer Federal civil rights statutes, and investigate EEO complaints.
- \$4 million for the Minority Business Resource Center (MRBC) and Minority Business Outreach (MBO) activities, the same as the FY 2014 enacted level. Both the MRBC and MBO programs encourage and assist small, disadvantaged, and women-owned businesses to participate in DOT and DOT-assisted contracts and grants and provide them assistance in obtaining short-term working capital.
- \$8 million to establish a new Interagency Permitting Improvement Center (IPIC) to focus on improving the efficiency of the Federal permitting process for major infrastructure investments.

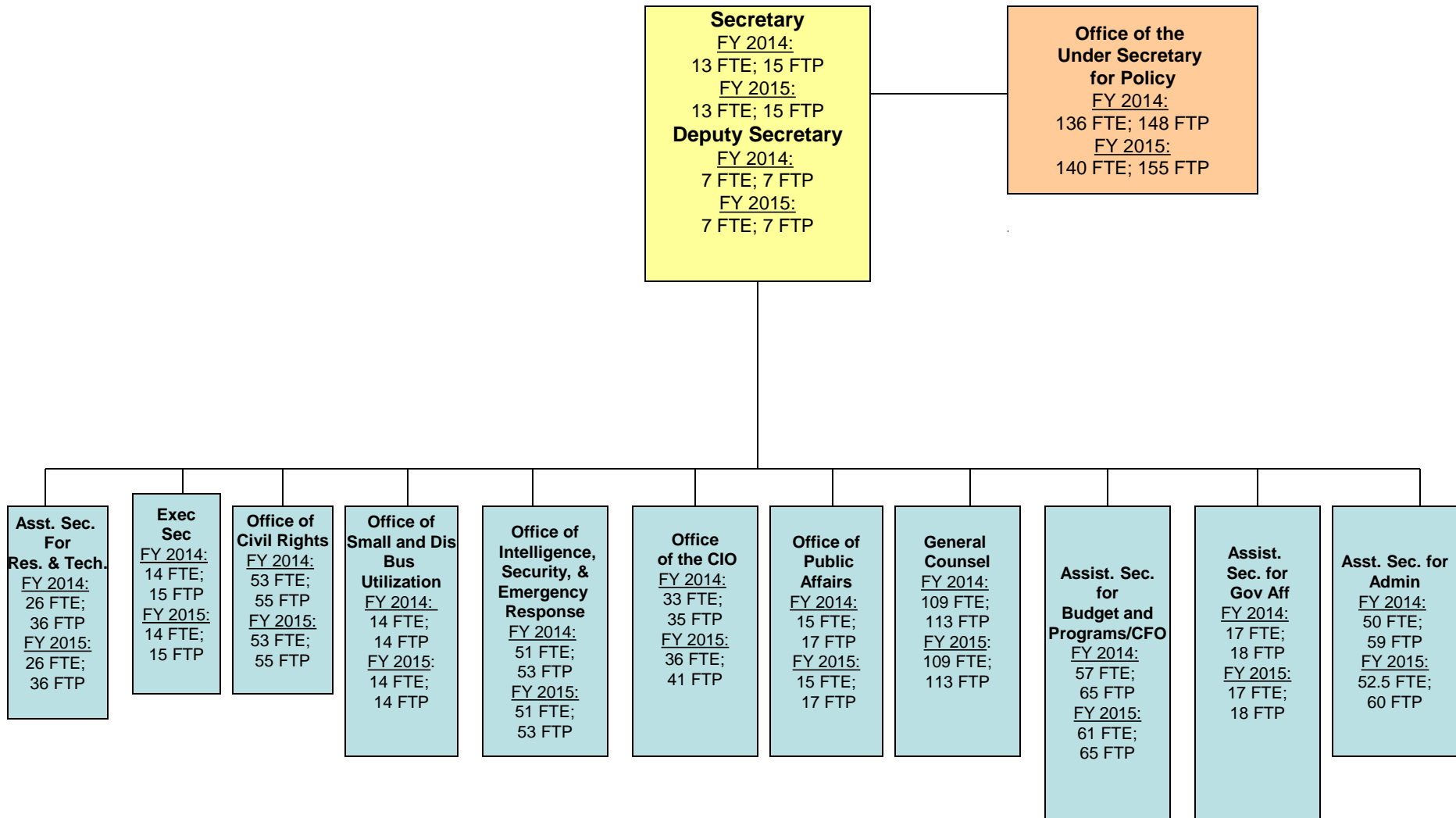
- \$8 million for the Department’s Transportation Planning, Research and Development program, \$2 million below the FY 2014 enacted level, for activities and studies needed to support the Secretary’s responsibilities in the formulation of national transportation policies.
- \$1.25 billion for the TIGER Grants Program. The FY 2015 Budget proposes \$1.25 billion obligation limitation on the program. As part of the Surface Transportation reauthorization, the Administration is proposing \$1.25 billion of contract authority for FY 2013 thru FY 2018 for the program funded from the Multimodal Account in the Transportation Trust Fund.
- \$5 million for Cyber Security Initiatives, \$0.5 million above the FY 2014 enacted level, to continue to improve the compliance of DOT’s cyber security posture, building on and continuing the accomplishments achieved with the FYs 2012, FY 2013 and 2014 appropriations.
- \$14.6 million for the Research and Technology activities to be administered by the Office of the Assistant Secretary for Research and Technology. The FY 2015 request is \$0.2 million below the FY 2014 enacted level. A portion of the funding is for salaries and expenses supporting Research and Development activities, with the remainder of the funding for Alternative Fuels Research and Development, Research, Development & Technology Coordination, Nationwide Differential Global Positioning System, and Positioning, Navigation and Timing programs. In addition, the FY 2015 request for the Office of the Assistant Secretary for Research and Technology includes \$29 million for the Bureau of Transportation Statistics (BTS) transferred from the Federal Highway Administration as an allocation from the Federal-Aid Highways account.
- \$40 million for the Safe Transportation of Energy Products Fund for a new flexible fund to assist in responding to safety issues surrounding crude oil. The Administrators of the Federal Railroad Administration, the Pipeline Hazardous Materials Safety Administration and the Federal Motor Carriers Safety Administration along with representatives of designated offices within the Office of the Secretary would jointly service as a decision-making board for the use of the funds and would be responsible for their effective administration. Because this effort is a partnership with industry, the Budget proposes to give the Secretary additional authority to share costs associated with ensuring that these cargos move safely.
- A total of \$261 million for the Essential Air Service (EAS) program, including \$106 million of mandatory resources from overflight fees collected by the Federal Aviation Administration and a \$155 million discretionary appropriation.

The FY 2015 request includes the following funding levels to support the Department’s key strategic objectives: \$257 million for Safety; \$250 million for State of Good Repair/Infrastructure; \$271 million for Economic Competitiveness; \$514 million for Quality of Life in Communities; \$258 million for Environmental Sustainability; and \$165 million for Organizational Excellence.

Exhibit I

U.S. Department of Transportation

Office of the Secretary – Direct Positions/FTEs



**EXHIBIT II - 1**  
**FY 2015 COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**

(\$000)

<u>ACCOUNTS</u>	<u>FY 2013 ACTUAL</u>	<u>FY 2014 ENACTED</u>	<u>FY 2015 REQUEST</u>
<b><u>SALARIES &amp; EXPENSES</u></b>	<b>97,121</b>	<b>107,000</b>	<b>109,916</b>
Office of the Secretary (S-1)	2,481	2,652	2,696
Office of the Deputy Secretary (S-2)	933	1,000	1,011
Office of the Under Secretary for Transportation Policy (S-3)	9,578	10,271	10,417
Office of the Executive Secretariat (S-10)	1,512	1,714	1,746
Office of Small and Disadvantaged Business Utilization (S-40)	1,297	1,386	1,414
Office of Intelligence and Security and Emergency Response (S-60)	10,214	10,778	11,055
Office of the Chief Information Officer (S-80)	14,204	15,695	16,106
Office of Public Affairs (A)	1,914	2,020	2,061
Office of the Assistant Secretary for Budget and Programs/CFO (B)	9,987	12,676	13,111
Office of the General Counsel (C)	18,494	19,900	20,312
Office of the Assistant Secretary for Governmental Affairs (I)	2,369	2,530	2,567
Office of the Assistant Secretary for Administration (M)	24,137	26,378	27,420
<b><u>FINANCIAL MANAGEMENT CAPITAL</u></b>	<b>4,729</b>	<b>7,000</b>	<b>5,000</b>
<b><u>OFFICE OF CIVIL RIGHTS</u></b>	<b>8,893</b>	<b>9,551</b>	<b>9,600</b>
<b><u>MINORITY BUSINESS OUTREACH</u></b>	<b>2,908</b>	<b>3,088</b>	<b>3,099</b>
<b><u>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</u></b>	<b>8,529</b>	<b>7,000</b>	<b>8,000</b>
<b><u>TRANSP. PLANNING, RESEARCH &amp; DEV. (CANCELLATION OF UNOBLIGATED BALANCES)</u></b>	<b>0</b>	<b>-2,750</b>	<b>0</b>
<b><u>TIGER GRANTS PROGRAM (NI)</u></b>	<b>473,847</b>	<b>600,000</b>	<b>1,250,000</b>
<b><u>TIGER GRANTS PROGRAM (NI) [Obligation Limitation]</u></b>	<b>[0,000]</b>	<b>[0,000]</b>	<b>[1,250,000]</b>
<b><u>INTERAGENCY PERMITTING IMPROVEMENT CENTER (IPIC)</u></b>	<b>0</b>	<b>0</b>	<b>8,000</b>
<b><u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u></b>	<b>1,239</b>	<b>925</b>	<b>1,013</b>
Minority Business Resource Center Program - Discretionary	874	925	1,013
Guaranteed Loan Subsidy	316	333	417
Administrative Expenses	558	592	596
MBRC Guaranteed Loan Subsidy Reestimate - Mandatory	365	0	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]
<b><u>CYBER SECURITY INITIATIVES</u></b>	<b>9,477</b>	<b>4,455</b>	<b>5,000</b>
<b><u>OFFICE OF THE ASST. SEC. FOR RESEARCH &amp; TECHNOLOGY RESEARCH AND DEVELOPMENT</u></b>	<b>15,145</b>	<b>14,765</b>	<b>14,625</b>
<b><u>SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND</u></b>	<b>0</b>	<b>0</b>	<b>40,000</b>
<b><u>WORKING CAPITAL FUND (Obligation Limitation)</u></b>	<b>[171,656]</b>	<b>[178,000]</b>	<b>[0,00]</b>
<b><u>ESSENTIAL AIR SERVICE PROGRAM:</u></b>	<b>233,218</b>	<b>269,640</b>	<b>261,000</b>
Payments to Air Carriers ( <i>Airport &amp; Airway Trust Fund</i> ) - Discretionary	135,520	149,000	155,000
Essential Air Service - Mandatory	97,698	120,640	106,000
<b>GRAND TOTAL</b>	<b>855,105</b>	<b>1,020,674</b>	<b>1,715,253</b>
Appropriations - Budget Authority	855,105	1,023,424	1,715,253
Rescissions and Cancellations	0	-2,750	0



**EXHIBIT II - 2**  
**FY 2015 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**Appropriations, Obligation Limitations, and Exempt Obligations, Mandatory EAS and MBRC Restimates**

(\$000)

<u>ACCOUNTS</u>	<u>FY 2013 ACTUAL</u>	<u>FY 2014 ENACTED</u>	<u>FY 2015 REQUEST</u>
<b><u>SALARIES &amp; EXPENSES</u></b>	<b><u>97,121</u></b>	<b><u>107,000</u></b>	<b><u>109,916</u></b>
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<b><u>OFFICE OF CIVIL RIGHTS</u></b>	<b><u>8,893</u></b>	<b><u>9,551</u></b>	<b><u>9,600</u></b>
<b><u>MINORITY BUSINESS OUTREACH</u></b>	<b><u>2,908</u></b>	<b><u>3,088</u></b>	<b><u>3,099</u></b>
<b><u>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</u></b>	<b><u>8,529</u></b>	<b><u>7,000</u></b>	<b><u>8,000</u></b>
<b><u>TRANSP. PLANNING, RESEARCH &amp; DEV. (CANCELLATION OF UNOBLIGATED BALANCES)</u></b>	<b><u>0</u></b>	<b><u>-2,750</u></b>	<b><u>0</u></b>
<b><u>TIGER GRANTS PROGRAM (NII)</u></b>	<b><u>473,847</u></b>	<b><u>600,000</u></b>	<b><u>1,250,000</u></b>
<b><u>TIGER GRANTS PROGRAM (NII) [Obligation Limitation]</u></b>	<b><u>[0,000]</u></b>	<b><u>[0,000]</u></b>	<b><u>[1,250,000]</u></b>
<b><u>INTERAGENCY PERMITTING IMPROVEMENT CENTER (IPIC)</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>8,000</u></b>
<b><u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u></b>	<b><u>1,239</u></b>	<b><u>925</u></b>	<b><u>1,013</u></b>
Minority Business Resource Center Program - Discretionary	874	925	1,013
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(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]
<b><u>CYBER SECURITY INITIATIVES</u></b>	<b><u>9,477</u></b>	<b><u>4,455</u></b>	<b><u>5,000</u></b>
<b><u>OFFICE OF THE ASST. SEC. FOR RESEARCH &amp; TECHNOLOGY RESEARCH AND DEVELOPMENT</u></b>	<b><u>15,145</u></b>	<b><u>14,765</u></b>	<b><u>14,625</u></b>
<b><u>SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>40,000</u></b>
<b><u>WORKING CAPITAL FUND (Obligation Limitation)</u></b>	<b><u>[171,656]</u></b>	<b><u>[178,000]</u></b>	<b><u>[0,00]</u></b>
<b><u>ESSENTIAL AIR SERVICE PROGRAM:</u></b>	<b><u>233,218</u></b>	<b><u>269,640</u></b>	<b><u>261,000</u></b>
Payments to Air Carriers ( <i>Airport &amp; Airway Trust Fund</i> ) - Discretionary	135,520	149,000	155,000
Essential Air Service - Mandatory	97,698	120,640	106,000
<b>GRAND TOTAL</b>	<b><u>855,105</u></b>	<b><u>1,020,674</u></b>	<b><u>1,715,253</u></b>

**EXHIBIT II-3**  
**FY 2015 BUDGET REQUEST BY STRATEGIC GOAL AND PERFORMANCE GOAL**  
**OFFICE OF THE SECRETARY**  
**Appropriations, Obligation Limitations, & Exempt Obligations**  
**\$000**

	(A) FY 2013 <u>ACTUAL</u>	(B) FY 2014 <u>ENACTED</u>	(F) FY 2015 <u>REQUEST</u>
<b>STRATEGIC &amp; PERFORMANCE GOALS by Performance Measure</b>			
<b>1. SAFETY STRATEGIC GOAL</b>			
<b><u>A. Roadway Safety</u></b>			
a. Complete streets	197	226	207
a. Other	107,447	106,830	256,830
Subtotal Performance Goal	107,644	107,056	257,037
<b><u>B. Aviation Safety</u></b>			
a. Other			
Subtotal Performance Goal	0	0	0
<b><u>C. Rail Safety</u></b>			
a. Other			0
Subtotal Performance Goal	0	0	0
<b><u>D. Transit Safety</u></b>			
a. Other			
Subtotal Performance Goal	0	0	0
<b><u>E. Pipeline Safety</u></b>			
a. Other			0
Subtotal Performance Goal	0	0	0
<b><u>F. Hazmat Safety</u></b>			
a. Other			
Subtotal Performance Goal	0	0	0
<b>Total – Safety Strategic Goal</b>	<b>107,644</b>	<b>107,056</b>	<b>257,037</b>

	(A) FY 2013 <u>ACTUAL</u>	(B) FY 2014 <u>ENACTED</u>	(F) FY 2015 <u>REQUEST</u>
<b>STRATEGIC &amp; PERFORMANCE GOALS by Performance Measure</b>			
<b>2. STATE OF GOOD REPAIR STRATEGIC GOAL</b>			
A.Highways			
a. Other	100,000	100,000	250,000
Subtotal Performance Goal	100,000	100,000	250,000
B. Bridges			
a. Other			
Subtotal Performance Goal	0	0	0
C.Transit Assets			
a. Other			
Subtotal Performance Goal	0	0	0
D. Airport runways			
a. Other			
Subtotal Performance Goal	0	0	0
E. Amtrak's repair backlog			
a. Other			
Subtotal Performance Goal	0	0	0
<b>Total – State of Good Repair Strategic Goal</b>			
	<b>100,000</b>	<b>100,000</b>	<b>250,000</b>
<b>3. ECONOMIC COMPETITIVENESS STRATEGIC GOAL</b>			
<u>A. Maximum Economic Returns</u>			
a. Maintain the U.S. St. Lawrence Seaway system and lock availability at 99 percent			
b. Maintain travel time reliability in freight significant corridors			
c. Increase travel time reliability in urban areas as measured by a decrease in the Travel Time Index			
d. Other			
Subtotal Performance Goal	0	0	0

	(A)	(B)	(F)
	FY 2013	FY 2014	FY 2015
	<u>ACTUAL</u>	<u>ENACTED</u>	<u>REQUEST</u>
<b>STRATEGIC &amp; PERFORMANCE GOALS by Performance Measure</b>			
<u>B. A competitive air transportation system responsive to consumer needs</u>			
a. Advance DOT goals with foreign governments	2,187	1,596	2,134
b. Establish or participate in 14 technology transfer and capacity building programs	2,404	1,848	2,134
c. New bilateral or multilateral agreements to remove market distorting barriers	2,280	1,328	2,133
d. Increase harmonization of vehicle communication standards to support V2V and V2I safety applications			
e. Other	105,363	105,433	259,438
Subtotal Performance Goal	112,234	110,205	265,839
<u>C. Expand Business Opportunities</u>			
a. Percent of total dollar value of DOT direct contracts awarded to women owned businesses.	2,193	2,858	2,820
b. Percent of total dollar value of DOT direct contracts awarded to small disadvantaged businesses.	2,878	2,541	2,706
c. Other			
Subtotal Performance Goal	5,071	5,399	5,526
<b>Total – Economic Competitiveness Strategic Goal</b>	<b>117,305</b>	<b>115,604</b>	<b>271,365</b>

## 4. QUALITY OF LIFE IN COMMUNITIES

A. Increased access

- a. Increase the number of transit boardings reported by urbanized area transit providers
- b. Increase the number of transit boardings reported by rural area transit providers
- c. Increase the transit "market share" among commuters
- d. Increase in intercity rail passenger-miles traveled

e. Other	335,987	370,940	513,549
Subtotal Performance Goal	335,987	370,940	513,549

	(A) FY 2013 <u>ACTUAL</u>	(B) FY 2014 <u>ENACTED</u>	(F) FY 2015 <u>REQUEST</u>
<b>STRATEGIC &amp; PERFORMANCE GOALS by Performance Measure</b>			
<u>B. Improved networks that accommodate pedestrians and bicycles</u>			
a. States with policies that improve transportation choices for walking, wheeling and bicycling			
b. Other			
Subtotal Performance Goal	0	0	0
<u>C. Improved access to transportation for older adults and people with disabilities</u>			
a. Key transit rail stations verified as accessible and fully compliant			
b. Percent of rail stations (where Amtrak is responsible for compliance) compliant with the ADA and Sec. 504			
c. Number of States that have developed an ADA transition plan			
d. Other			
Subtotal Performance Goal	0	0	0
<b>Total – Quality of Life in Communities Strategic Goal</b>	<b>335,987</b>	<b>370,940</b>	<b>513,549</b>

5. ENVIRONMENTAL SUSTAINABILITY

A. Reduction in transportation-related carbon emissions, etc.

a. Improve National Airspace System energy efficient	0	0	0
b. Increase the percentage of alternative fuels and hybrid vehicles in the transit revenue service fleet	0	0	0
c. Other	0	0	0
Subtotal Performance Goal	0	0	0

B. Reduction in transportation-related air, water and noise pollution and impacts on ecosystems

a. Reduce the number of hazardous liquid pipeline spills with environmental consequences			
b. Improve aviation noise exposure			
c. Other			
Subtotal Performance Goal	0	0	0

	(A)	(B)	(F)
	FY 2013	FY 2014	FY 2015
	<u>ACTUAL</u>	<u>ENACTED</u>	<u>REQUEST</u>
<b>STRATEGIC &amp; PERFORMANCE GOALS by Performance Measure</b>			
<u>C. Increased use of environmentally sustainable practices, etc.</u>			
a. Increase the number of obsolete vessels removed from the National Defense Reserave Fleet for subsequent disposal			
b. 30 percent reduction in DOT vehicle fleet petroleum use	154	354	354
c. 26 percent improvement in DOT building water efficiency	154	249	249
d. 50 percent recycling and waste diversion on DOT facilities	154	279	279
e. 95 percent of all applicable contracts will meet sustainability requirements	154	129	129
f. 12.3 percent reduction in greenhouse gas emissions	153	345	345
g. 10.9 percent reduction in greenhouse gas emissions from employee business travel and commuting	153	154	154
h. Other	75,700	201,429	256,616
Subtotal Performance Goal	<u>76,622</u>	<u>202,939</u>	<u>258,126</u>
<b>Total – Environmental Sustainability Strat Goal</b>	<b>76,622</b>	<b>202,939</b>	<b>258,126</b>
<b>6. ORGANIZATIONAL EXCELLENCE</b>	<b>117,547</b>	<b>124,135</b>	<b>165,176</b>
<b>GRAND TOTAL</b>	<b>855,105</b>	<b>1,020,674</b>	<b>1,715,253</b>

**EXHIBIT II-3a**  
**FY 2015 BUDGET REQUEST BY DOT OUTCOMES**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**(\$000)**

DOT Outcome	Program	FY 2015 Request
<b>SAFETY</b>		<b>257,037</b>
Reduction in injuries and fatalities	Research and Technology	6,830
Improved Safety		
Complete Streets	Office of the Under Secretary for Transportation Policy (S-3)	207
Other	TIGER Grants Program (NII)	250,000
<b>STATE OF GOOD REPAIR/INFRASTRUCTURE</b>		<b>250,000</b>
Other	TIGER Grants Program (NII)	250,000
<b>ECONOMIC COMPETITIVENESS</b>		<b>271,365</b>
Competitive transportation system	Office of the Under Secretary for Transportation Policy (S-3)	1,563
	Transportation Planning, Research & Development	4,838
	TIGER Grants Program (NII)	250,000
	Research and Technology	5,438
Expanded opportunities for businesses	Office of Small and Disadvantaged Business Utilization (S-40)	1,414
	Minority Business Outreach	3,099
	Minority Business Resource Center Program	1,012
	Interagency Permitting Information Center	4,000
<b>QUALITY OF LIFE IN COMMUNITIES</b>		<b>513,549</b>
Convenient and affordable choices	Office of the Under Secretary for Transportation Policy (S-3)	937
Other	Transportation Planning, Research & Development	1,612
	TIGER Grants Program (NII)	250,000
	Essential Air Services Program	106,000
	Payments to Air Carriers	155,000
<b>ENVIRONMENTAL SUSTAINABILITY</b>		<b>258,126</b>
Environmentally sustainable practices and materials in transportation	Office of the Assistant Secretary for Administration (M)	1,510
Other	Office of the Under Secretary for Transportation Policy (S-3)	937
	Office of the Assistant Secretary for Administration (M)	129
	Transportation Planning, Research & Development	1,550
	TIGER Grants Program (NII)	250,000
	Interagency Permitting Information Center	4,000
<b>ORGANIZATIONAL EXCELLENCE</b>		<b>165,176</b>
	Office of the Secretary (S-1)	2,696
	Office of the Deputy Secretary (S-2)	1,011
	Office of the Under Secretary for Transportation Policy (S-3)	6,773
	Office of the Executive Secretariat (S-10)	1,746
	Office of Intelligence and Security and Emergency Response (S-60)	11,055
	Office of the Chief Information Officer (S-80)	16,106
	Office of Public Affairs (A)	2,061
	Office of the Assistant Secretary for Budget and Programs/CFO (B)	13,111
	Office of the General Counsel (C)	20,312
	Office of the Assistant Secretary for Governmental Affairs (I)	2,567
	Office of the Assistant Secretary for Administration (M)	25,781
	Financial Management Capital	5,000
	Office of Civil Rights	9,600
	Cyber Security/IT Initiative	5,000
	Research and Technology	2,357
	Safe Transportation of Energy Products Fund	40,000
<b>TOTAL</b>		<b>1,715,253</b>

**EXHIBIT II - 4**  
**FY 2015 BUDGET AUTHORITY**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**

(\$000)

<u>ACCOUNTS</u>	<u>FY 2013 ACTUAL</u>	<u>FY 2014 ENACTED</u>	<u>FY 2015 REQUEST</u>
<b><u>SALARIES &amp; EXPENSES</u></b>	<b><u>97,121</u></b>	<b><u>107,000</u></b>	<b><u>109,916</u></b>
Office of the Secretary (S-1)	2,481	2,652	2,696
Office of the Deputy Secretary (S-2)	933	1,000	1,011
Office of the Under Secretary for Transportation Policy (S-3)	9,578	10,271	10,417
Office of the Executive Secretariat (S-10)	1,512	1,714	1,746
Office of Small and Disadvantaged Business Utilization (S-40)	1,297	1,386	1,414
Office of Intelligence and Security and Emergency Response (S-60)	10,214	10,778	11,055
Office of the Chief Information Officer (S-80)	14,204	15,695	16,106
Office of Public Affairs (A)	1,914	2,020	2,061
Office of the Assistant Secretary for Budget and Programs/CFO (B)	9,987	12,676	13,111
Office of the General Counsel (C)	18,494	19,900	20,312
Office of the Assistant Secretary for Governmental Affairs (I)	2,369	2,530	2,567
Office of the Assistant Secretary for Administration (M)	24,137	26,378	27,420
<b><u>FINANCIAL MANAGEMENT CAPITAL</u></b>	<b><u>4,729</u></b>	<b><u>7,000</u></b>	<b><u>5,000</u></b>
<b><u>OFFICE OF CIVIL RIGHTS</u></b>	<b><u>8,893</u></b>	<b><u>9,551</u></b>	<b><u>9,600</u></b>
<b><u>MINORITY BUSINESS OUTREACH</u></b>	<b><u>2,908</u></b>	<b><u>3,088</u></b>	<b><u>3,099</u></b>
<b><u>TRANSPORTATION PLANNING, RESEARCH &amp; DEVELOPMENT</u></b>	<b><u>8,529</u></b>	<b><u>7,000</u></b>	<b><u>8,000</u></b>
<b><u>TRANSP. PLANNING, RESEARCH &amp; DEV. (CANCELLATION OF UNOBLIGATED BALANCES)</u></b>	<b><u>0</u></b>	<b><u>-2,750</u></b>	<b><u>0</u></b>
<b><u>TIGER GRANTS PROGRAM (NII)</u></b>	<b><u>473,847</u></b>	<b><u>600,000</u></b>	<b><u>1,250,000</u></b>
<b><u>TIGER GRANTS PROGRAM (NII) [Obligation Limitation]</u></b>	<b><u>[0.000]</u></b>	<b><u>[0.000]</u></b>	<b><u>[1,250,000]</u></b>
<b><u>INTERAGENCY PERMITTING IMPROVEMENT CENTER (IPIC)</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>8,000</u></b>
<b><u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u></b>	<b><u>1,239</u></b>	<b><u>925</u></b>	<b><u>1,013</u></b>
Minority Business Resource Center Program - Discretionary	874	925	1,013
Guaranteed Loan Subsidy	316	333	417
Administrative Expenses	558	592	596
MBRC Guaranteed Loan Subsidy reestimate- Mandatory	365	0	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]
<b><u>CYBER SECURITY INITIATIVES</u></b>	<b><u>9,477</u></b>	<b><u>4,455</u></b>	<b><u>5,000</u></b>
<b><u>OFFICE OF THE ASST. SEC. FOR RESEARCH &amp; TECHNOLOGY RESEARCH AND DEVELOPMENT</u></b>	<b><u>15,145</u></b>	<b><u>14,765</u></b>	<b><u>14,625</u></b>
<b><u>SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND</u></b>	<b><u>0</u></b>	<b><u>0</u></b>	<b><u>40,000</u></b>
<b><u>WORKING CAPITAL FUND (Obligation Limitation)</u></b>	<b><u>[171,656]</u></b>	<b><u>[178,000]</u></b>	<b><u>[0.00]</u></b>
<b><u>ESSENTIAL AIR SERVICE PROGRAM</u></b>	<b><u>233,218</u></b>	<b><u>269,640</u></b>	<b><u>261,000</u></b>
Payments to Air Carriers ( <i>Airport &amp; Airway Trust Fund</i> ) - Discretionary	135,520	149,000	155,000
Essential Air Service - Mandatory	97,698	120,640	106,000
<b>GRAND TOTAL</b>	<b><u>855,105</u></b>	<b><u>1,020,674</u></b>	<b><u>1,715,253</u></b>
[Mandatory]	571,909	720,640	1,356,000
[Discretionary]	283,196	300,034	359,253

**PROPRIETARY AND OTHER GOVERNMENTAL RECEIPTS:**

MBRC Guaranteed Loans Downward Subsidy Reestimate



**EXHIBIT II-5**  
**FY 2015 OUTLAYS**  
**OFFICE OF THE SECRETARY of TRANSPORTATION**  
**(\$000)**

<u>ACCOUNTS</u>	<u>FY 2013 ACTUAL</u>	<u>FY 2014 ENACTED</u>	<u>FY 2015 REQUEST</u>
Salaries & Expenses	90,714	146,644	109,624
Surface Transportation Discretionary Grants (ARRA)	406,219	225,000	45,000
Air Carrier Compensation	6,555	0	0
Financial Management Capital	8,214	14,928	5,400
Office of Civil Rights	8,331	10,702	9,594
Minority Business Outreach	3,254	12,535	3,098
Interagency Permitting Improvement Center (IPIC)	0	0	7,200
Transportation Planning, Research & Development	15,587	6,912	6,465
New Headquarters Building	68	0	0
MBRC Program (loan subsidy & admin)	841	1,250	925
Cyber Security Initiatives	3,415	9,966	946
Research & Development	19,813	51,289	16,359
Safe Transportation of Energy Products Fund	0	0	24,000
Payments to Air Carriers	154,440	127,331	152,600
VOLPE National Transportation Systems Center	1,614	138,000	0
Working Capital Fund	16,279	44,775	0
<b>Subtotal, Discretionary</b>	<b>735,342</b>	<b>789,332</b>	<b>381,212</b>
<i>MBRC Guaranteed Loan Subsidy Upward Reestimate [mandatory]</i>	<i>365</i>	<i>0</i>	<i>0</i>
<i>Essential Air Service &amp; Rural Airport Funding [mandatory]</i>	<i>81,828</i>	<i>97,769</i>	<i>115,600</i>
<i>TIGER Grants Program (NII)</i>	<i>214,940</i>	<i>491,726</i>	<i>478,778</i>
<b>Subtotal, Mandatory</b>	<b>297,133</b>	<b>589,495</b>	<b>594,378</b>
<b>Grand Total</b>	<b>1,032,475</b>	<b>1,378,827</b>	<b>975,590</b>

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

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

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	491	0	0	0	0	0	0	0	491	7	498
FTEs	452	0	4	0	0	0	0	0	456	6.00	462.00
Reimbursable											
Positions	29	0	0	0	0	0	0	0	29	1	30
FTEs	16	0	10	0	0	0	0	0	26	0.50	26.50
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	68,180.084	167.755	639.932	507.467	0.000	-129.520	693.879	0.000	70,059.597	1,039.133	71,098.730
- WCF Non-Add (Transit Benefits)	(359.630)	(0.015)	0.000	0.000	0.000	48.927	0.000	0.000	(310.718)	0.000	(310.718)
Travel	1,259.311	0.000	0.000	0.000	0.000	0.000	0.000	12.594	1,271.905	0.000	1,271.905
Transportation	3.015	0.000	0.000	0.000	0.000	0.000	0.000	0.030	3.045	0.000	3.045
GSA Rent	8,932.725	0.000	0.000	0.000	321.988	0.000	0.000	0.000	9,254.713	0.000	9,254.713
Communications and Utilities	187.653	0.000	0.000	0.000	0.000	0.000	0.000	1.877	189.530	0.000	189.530
Printing and Reproduction	299.977	0.000	0.000	0.000	0.000	0.000	0.000	3.000	302.977	0.000	302.977
Other Services:											
- Working Capital Fund	16,112.727	0.000	0.000	0.000	0.000	224.247	0.000	0.000	16,336.974	0.000	16,336.974
- Other Contractual Services	11,756.522	0.000	0.000	0.000	0.000	0.000	0.000	117.565	11,874.087	-686.627	11,187.460
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	241.421	0.000	0.000	0.000	0.000	0.000	0.000	2.414	243.835	0.000	243.835
Equipment	26.565	0.000	0.000	0.000	0.000	0.000	0.000	0.266	26.831	0.000	26.831
<b>Administrative Subtotal</b>	<b>107,000.000</b>	<b>167.755</b>	<b>639.932</b>	<b>507.467</b>	<b>321.988</b>	<b>94.727</b>	<b>693.879</b>	<b>137.746</b>	<b>109,563.494</b>	<b>352.506</b>	<b>109,916.000</b>
<b>PROGRAM EXPENSES</b>											
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>107,000.000</b>	<b>167.755</b>	<b>639.932</b>	<b>507.467</b>	<b>321.988</b>	<b>94.727</b>	<b>693.879</b>	<b>137.746</b>	<b>109,563.494</b>	<b>352.506</b>	<b>109,916.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**

Appropriations, Obligation Limitations, and Exempt Obligations

**FINANCIAL MANAGEMENT CAPITAL**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
(Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	7,000.000	0.000	0.000	0.000	0.000	0.000	0.000	70.000	7,070.000	-2,070.000	5,000.000
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>7,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>70.000</b>	<b>7,070.000</b>	<b>-2,070.000</b>	<b>5,000.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>7,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>70.000</b>	<b>7,070.000</b>	<b>-2,070.000</b>	<b>5,000.000</b>

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

**OFFICE OF CIVIL RIGHTS**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	55	0	0	0	0	0	0	0	55	0	55
FTEs	53	0	0	0	0	0	0	0	53	0	53
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	6,649.823	16.548	0.000	49.770	0.000	3.854	56.385	0.000	6,776.380	0.000	6,776.380
(Transit Benefits) (non-add)	(30.476)	0.000	0.000	0.000	0.000	(2.721)	0.000	0.000	(33.197)	0.000	(33.197)
Travel	48.457	0.000	0.000	0.000	0.000	0.000	0.000	0.485	48.942	0.000	48.942
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	28.735	0.000	0.000	0.000	0.000	0.000	0.000	0.287	29.022	0.000	29.022
Printing and Reproduction	10.606	0.000	0.000	0.000	0.000	0.000	0.000	0.106	10.712	0.000	10.712
Other Services:											
- Working Capital Fund	864.940	0.000	0.000	0.000	0.000	39.739	0.000	0.000	904.679	0.000	904.679
- Other Contractual Services	1,847.436	0.000	0.000	0.000	0.000	0.000	0.000	16.958	1,864.395	-135.637	1,728.758
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	50.501	0.000	0.000	0.000	0.000	0.000	0.000	0.000	50.501	0.000	50.501
Equipment	50.501	0.000	0.000	0.000	0.000	0.000	0.000	0.505	51.006	0.000	51.006
<b>Administrative Subtotal</b>	<b>9,551.000</b>	<b>16.548</b>	<b>0.000</b>	<b>49.770</b>	<b>0.000</b>	<b>43.593</b>	<b>56.385</b>	<b>18.341</b>	<b>9,735.637</b>	<b>-135.637</b>	<b>9,600.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>9,551.000</b>	<b>16.548</b>	<b>0.000</b>	<b>49.770</b>	<b>0.000</b>	<b>43.593</b>	<b>56.385</b>	<b>18.341</b>	<b>9,735.637</b>	<b>-135.637</b>	<b>9,600.000</b>

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

**INTERAGENCY PERMITTING IMPROVEMENT CENTER (IPIC)**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	0	0	0	0	0	0	0	0	0	7	7
FTEs	0	0	0	0	0	0	0	0	0	4	4
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	761.564	761.564
- WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(4.000)	(4.000)
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	25.000	25.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.500	0.500
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	230.000	230.000
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4,972.936	4,972.936
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.000	10.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>6,000.000</b>	<b>6,000.000</b>
<b>PROGRAM EXPENSES</b>											
Permitting Dashboard										2,000.000	2,000.000
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2,000.000</b>	<b>2,000.000</b>
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>8,000.000</b>	<b>8,000.000</b>

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

**TRANSPORTATION PLANNING RESEARCH AND DEVELOPMENT**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	33	0	0	0	0	0	0	0	33	0	33
FTEs	32	0	0	0	0	0	0	0	32	0	32
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	5,425.394	13.490	0.000	40.568	0.000	-6.114	45.545	0.000	5,518.883	0.000	5,518.883
(Transit Benefits) (non-add)	(29.738)	0.000	0.000	0.000	0.000	6.114	0.000	0.000	(23.624)	0.000	(23.624)
Travel	153.277	0.000	0.000	0.000	0.000	0.000	0.000	1.533	154.809	0.000	154.809
Transportation	1.020	0.000	0.000	0.000	0.000	0.000	0.000	0.010	1.030	0.000	1.030
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	19.740	0.000	0.000	0.000	0.000	0.000	0.000	0.197	19.938	0.000	19.938
Other Services:											
- Working Capital Fund	626.084	0.000	0.000	0.000	0.000	82.409	0.000	0.000	708.493	0.000	708.493
- Other Contractual Services	738.575	0.000	0.000	0.000	0.000	0.000	0.000	7.386	745.960	814.822	1,560.782
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	20.506	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20.506	0.000	20.506
Equipment	15.405	0.000	0.000	0.000	0.000	0.000	0.000	0.154	15.559	0.000	15.559
<b>Administrative Subtotal</b>	<b>7,000.000</b>	<b>13.490</b>	<b>0.000</b>	<b>40.568</b>	<b>0.000</b>	<b>76.295</b>	<b>45.545</b>	<b>9.280</b>	<b>7,185.178</b>	<b>814.822</b>	<b>8,000.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>7,000.000</b>	<b>13.490</b>	<b>0.000</b>	<b>40.568</b>	<b>0.000</b>	<b>76.295</b>	<b>45.545</b>	<b>9.280</b>	<b>7,185.178</b>	<b>814.822</b>	<b>8,000.000</b>

**EXHIBIT II-6**  
**SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE**  
**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**Appropriations, Obligation Limitations, and Exempt Obligations**  
**NATIONAL INFRASTRUCTURE INVESTMENTS (NII) (Discretionary)**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	12	0	0	0	0	0	0	0	12	-12	0
FTEs	10	0	0	0	0	0	0	0	10	-10	0
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	6,457.859	16.129	0.000	48.506	0.000	-2.322	0.000	0.000	6,520.172	-6,520.172	0.000
(Transit Benefits) (non-add)	(6.430)	0.000	0.000	0.000	0.000	2.322	0.000	0.000	(4.108)	4.108	0.000
Travel	804.485	0.000	0.000	0.000	0.000	0.000	0.000	8.045	812.530	-812.530	0.000
Transportation	0.708	0.000	0.000	0.000	0.000	0.000	0.000	0.007	0.715	-0.715	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	10.404	0.000	0.000	0.000	0.000	0.000	0.000	0.104	10.508	-10.508	0.000
Other Services:											
- Working Capital Fund	215.425	0.000	0.000	0.000	0.000	-24.294	0.000	0.000	191.131	-191.131	0.000
- Other Contractual Services	12,490.111	0.000	0.000	0.000	0.000	0.000	0.000	124.901	12,615.012	-12,615.012	0.000
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	21.009	0.000	0.000	0.000	0.000	0.000	0.000	0.000	21.009	-21.009	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.004	-0.004	0.000
<b>Administrative Subtotal</b>	<b>20,000.000</b>	<b>16.129</b>	<b>0.000</b>	<b>48.506</b>	<b>0.000</b>	<b>-26.616</b>	<b>0.000</b>	<b>133.061</b>	<b>20,171.080</b>	<b>-20,171.080</b>	<b>0.000</b>
<b>PROGRAM EXPENSES</b>											
NII Infrastructure Grants	545,000.000								545,000.000	-545,000.000	0.000
NII Planning Grants	35,000.000								35,000.000	-35,000.000	0.000
<b>Program Subtotal</b>	<b>580,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>580,000.000</b>	<b>-580,000.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>600,000.000</b>	<b>16.129</b>	<b>0.000</b>	<b>48.506</b>	<b>0.000</b>	<b>-26.616</b>	<b>0.000</b>	<b>133.061</b>	<b>600,171.080</b>	<b>-600,171.080</b>	<b>0.000</b>

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

**TIGER GRANTS PROGRAM (NII)**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	12	0	0	0	0	0	0	0	12	0	12
FTEs	10	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	0	10.00
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	6,457.859	16.129	0.000	48.506	0.000	-2.322	0.000	0.000	6,520.172	0.000	6,520.172
(Transit Benefits) (non-add)	(6.430)	0.000	0.000	0.000	0.000	2.322	0.000	0.000	(4.108)	0.000	(4.108)
Travel	804.485	0.000	0.000	0.000	0.000	0.000	0.000	8.045	812.530	0.000	812.530
Transportation	0.708	0.000	0.000	0.000	0.000	0.000	0.000	0.007	0.715	0.000	0.715
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	10.404	0.000	0.000	0.000	0.000	0.000	0.000	0.104	10.508	0.000	10.508
Other Services:											
- Working Capital Fund	215.425	0.000	0.000	0.000	0.000	-24.294	0.000	0.000	191.131	0.000	191.131
- Other Contractual Services	12,490.111	0.000	0.000	0.000	0.000	0.000	0.000	124.901	12,615.012	0.000	12,615.012
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	21.009	0.000	0.000	0.000	0.000	0.000	0.000	0.000	21.009	0.000	21.009
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.004	0.000	0.004
<b>Administrative Subtotal</b>	<b>20,000.000</b>	<b>16.129</b>	<b>0.000</b>	<b>48.506</b>	<b>0.000</b>	<b>-26.616</b>	<b>0.000</b>	<b>133.061</b>	<b>20,171.080</b>	<b>0.000</b>	<b>20,171.080</b>
<b>PROGRAM EXPENSES</b>											
Transportation Infrastructure Grants & Financing	545,000.000								545,000.000	649,828.920	1,194,828.920
TIGER Planning Grants	35,000.000								35,000.000	0.000	35,000.000
None											
None											
<b>Program Subtotal</b>	<b>580,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>580,000.000</b>	<b>649,828.920</b>	<b>1,229,828.920</b>
<b>TOTAL</b>	<b>600,000.000</b>	<b>16.129</b>	<b>0.000</b>	<b>48.506</b>	<b>0.000</b>	<b>-26.616</b>	<b>0.000</b>	<b>133.061</b>	<b>600,171.080</b>	<b>649,828.920</b>	<b>1,250,000.000</b>



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

**MINORITY BUSINESS RESOURCE CENTER**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	1	0	0	0	0	0	0	0	1	0	1
FTEs	1	0	0	0	0	0	0	0	1	0	1
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	173.829	0.434	0.000	1.305	0.000	0.000	2.405	0.000	177.973	0.000	177.973
(Transit Benefits) (Non-add)	(0.258)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(0.258)	0.000	(0.258)
Travel	5.100	0.000	0.000	0.000	0.000	0.000	0.000	0.051	5.151	0.000	5.151
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	14.914	0.000	0.000	0.000	0.000	0.313	0.000	0.000	15.227	0.000	15.227
- Other Contractual Services	193.679	0.000	0.000	0.000	0.000	0.000	0.000	1.936	195.614	-2.179	193.435
- Administrative Loan Fees	204.097	0.000	0.000	0.000	0.000	0.000	0.000	0.000	204.097	0.000	204.097
- Subsidy	333.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	333.000	84.000	417.000
Supplies and Materials	0.380	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.380	0.000	0.380
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>925.000</b>	<b>0.434</b>	<b>0.000</b>	<b>1.305</b>	<b>0.000</b>	<b>0.313</b>	<b>2.405</b>	<b>1.987</b>	<b>931.443</b>	<b>81.821</b>	<b>1,013.264</b>
<b>PROGRAM EXPENSES</b>											
MBRC Guaranteed Loan Subsidy Restimate	0.000								0.000		0.000
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>925.000</b>	<b>0.434</b>	<b>0.000</b>	<b>1.305</b>	<b>0.000</b>	<b>0.313</b>	<b>2.405</b>	<b>1.987</b>	<b>931.443</b>	<b>81.821</b>	<b>1,013.264</b>

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

**CYBER SECURITY INITIATIVES**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
(Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	1,800.000	0.000	0.000	0.000	0.000	0.000	0.000	18.000	1,818.000	392.000	2,210.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	290.000	0.000	0.000	0.000	0.000	0.000	0.000	2.900	292.900	311.386	604.286
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	2,365.000	0.000	0.000	0.000	0.000	0.000	0.000	23.650	2,388.650	-202.936	2,185.714
<b>Administrative Subtotal</b>	<b>4,455.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>44.550</b>	<b>4,499.550</b>	<b>500.450</b>	<b>5,000.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>4,455.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>44.550</b>	<b>4,499.550</b>	<b>500.450</b>	<b>5,000.000</b>

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

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

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	36	0	0	0	0	0	0	0	36	0	36
FTEs	26	0	0	0	0	0	0	0	26	0	26
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	4,219.000	10.550	0.000	31.721	0.000	0.000	0.000	0.000	4,261.271	-42.271	4,219.000
(Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	90.000	0.000	0.000	0.000	0.000	0.000	0.000	0.900	90.900	-0.900	90.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	640.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	640.000	0.000	640.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	1.000	0.000	0.000	0.000	0.000	0.000	0.000	0.010	1.010	0.000	1.010
Other Services:											
- Working Capital Fund	1,308.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,308.000	-141.750	1,166.250
- Other Contractual Services	174.000	0.000	0.000	0.000	0.000	0.000	0.000	1.740	175.740	0.000	175.740
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	15.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	15.000	0.000	15.000
Equipment	100.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100.000	0.000	100.000
<b>Administrative Subtotal</b>	<b>6,547.000</b>	<b>10.550</b>	<b>0.000</b>	<b>31.721</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.650</b>	<b>6,591.921</b>	<b>-184.921</b>	<b>6,407.000</b>
<b>PROGRAM EXPENSES</b>											
Alternative Energy (previously Alternative Fuels)	499.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	499.000	0.000	499.000
RD&T Coordination	509.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	509.000	0.000	509.000
NDGPS	5,600.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,600.000	0.000	5,600.000
PNT	1,610.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,610.000	0.000	1,610.000
<b>Program Subtotal</b>	<b>8,218.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>8,218.000</b>	<b>0.000</b>	<b>8,218.000</b>
<b>TOTAL</b>	<b>14,765.000</b>	<b>10.550</b>	<b>0.000</b>	<b>31.721</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>2.650</b>	<b>14,809.921</b>	<b>-184.921</b>	<b>14,625.000</b>

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

SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
(Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40,000.000	40,000.000
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>40,000.000</b>	<b>40,000.000</b>
<b>PROGRAM EXPENSES</b>											
None											
None											
None											
None											
<b>Program Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>TOTAL</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>40,000.000</b>	<b>40,000.000</b>

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

**PAYMENTS TO AIR CARRIERS**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
(Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Other Contractual Services	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
<b>PROGRAM EXPENSES</b>											
Air Carrier Payments	149,000.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	149,000.000	6,000.000	155,000.000
None									0.000		0.000
None									0.000		0.000
None									0.000		0.000
<b>Program Subtotal</b>	<b>149,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>149,000.000</b>	<b>6,000.000</b>	<b>155,000.000</b>
<b>TOTAL</b>	<b>149,000.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>149,000.000</b>	<b>6,000.000</b>	<b>155,000.000</b>

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

**ESSENTIAL AIR SERVICE**

(\$000)

	FY 2014 Enacted	Baseline Changes							FY 2015 Baseline Estimate	Program Increases/ Decreases	FY 2015 Request
		3 Months Jan. 2014 Pay Raise 1.00%	Annualized New FY 2014 Positions	9 Months Jan. 2015 Pay Raise 1.00%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%			
<b>PERSONNEL RESOURCES</b>											
Direct											
Positions	14	0	0	0	0	0	0	0	14	0	14
FTEs	13	0	0	0	0	0	0	0	13	0	13
Reimbursable											
Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0	0	0	0	0	0	0	0	0	0	0
<b>FINANCIAL RESOURCES</b>											
<b>ADMINISTRATIVE EXPENSES</b>											
Salaries and Benefits	2,047.182	5.098	0.000	15.334	0.000	0.440	0.000	0.000	2,068.054	0.000	2,068.054
(Transit Benefits) (non-add)	(7.777)	0.000	0.000	0.000	0.000	(0.440)	0.000	0.000	(8.217)	0.000	(8.217)
Travel	1.400	0.000	0.000	0.000	0.000	0.000	0.000	0.014	1.414	0.000	1.414
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.045	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.045	0.000	0.045
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- Working Capital Fund	230.096	0.000	0.000	0.000	0.000	5.144	0.000	0.000	235.240	0.000	235.240
- Other Contractual Services	68.739	0.000	0.000	0.000	0.000	0.000	0.000	0.687	69.426	0.000	69.426
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Subsidy	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Supplies and Materials	3.045	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.045	0.000	3.045
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Administrative Subtotal</b>	<b>2,350.508</b>	<b>5.098</b>	<b>0.000</b>	<b>15.334</b>	<b>0.000</b>	<b>5.584</b>	<b>0.000</b>	<b>0.702</b>	<b>2,377.226</b>	<b>0.000</b>	<b>2,377.226</b>
<b>PROGRAM EXPENSES</b>											
Essential Air Service Subsidy	118,289.492	0.000	0.000	0.000	0.000	0.000	0.000	0.000	118,289.492	-14,666.718	103,622.774
None											
None											
None											
<b>Program Subtotal</b>	<b>118,289.492</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>118,289.492</b>	<b>-14,666.718</b>	<b>103,622.774</b>
<b>TOTAL</b>	<b>120,640.000</b>	<b>5.098</b>	<b>0.000</b>	<b>15.334</b>	<b>0.000</b>	<b>5.584</b>	<b>0.000</b>	<b>0.702</b>	<b>120,666.718</b>	<b>-14,666.718</b>	<b>106,000.000</b>

**EXHIBIT II-7**

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

	<b>FY 2013 ACTUAL</b>	<b>FY 2014 ENACTED</b>	<b>FY 2015 REQUEST</b>	<b>CHANGE</b>
<b>DIRECT:</b>				
Salaries and Expenses	15,366	16,472	16,648	175
Small Communities Air Services Development Program (SCASDP)	81	88	43	-45
Office of Civil Rights	794	895	938	42
Minority Business Outreach	55	60	61	1
Transportation, Planning, Research & Development	605	656	732	76
TIGER Grants Program (NII)	207	222	195	-27
Interagency Permitting Improvement Center (IPIC)	0	0	234	234
Minority Business Resource Center Program	14	15	15	0
Research and Development	978	1,308	1,166	-142
Essential Air Service	219	238	243	6
<b>SUBTOTAL, DIRECT</b>	<b>18,318</b>	<b>19,954</b>	<b>20,276</b>	<b>322</b>
<b>REIMBURSABLE:</b>				
Salaries and Expenses	332	333	331	-3
Research and Development	729	964	964	0
Volpe	1,111	1,111	1,111	0
<b>SUBTOTAL, REIMBURSABLES</b>	<b>2,172</b>	<b>2,408</b>	<b>2,406</b>	<b>-3</b>
<b>ALLOCATIONS/OTHER</b>				
Bureau of Transportation Statistics	0	0	0	0
<b>TOTAL</b>	<b>20,490</b>	<b>22,363</b>	<b>22,682</b>	<b>319</b>

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

<b><u>DIRECT FUNDED BY APPROPRIATION</u></b>	<b>FY 2013 ACTUAL</b>	<b>FY 2014 ENACTED</b>	<b>FY 2015 REQUEST</b>
Salaries and Expenses <u>1/</u>	406	456	466
Office of Civil Rights	41	53	53
Minority Business Outreach	3	4	4
Transportation Planning, Research and Development	25	32	32
TIGER Grants Program (NII)	8	10	10
Interagency Permitting Improvement Center (IPIC)	0	0	4
Minority Business Resource Center Program	1	1	1
Research and Development	26	26	26
Essential Air Service	12	13	13
<b>SUBTOTAL, DIRECT FUNDED</b>	<b><u>522</u></b>	<b><u>595</u></b>	<b><u>609</u></b>
<b><u>REIMBURSABLE</u></b>			
Salaries and Expenses	16	16	27
Research and Development	40	50	50
Volpe Working Capital Fund	536	532	532
Working Capital Fund	224	248	252
<b>SUBTOTAL, REIMBURSABLE</b>	<b><u>816</u></b>	<b><u>846</u></b>	<b><u>861</u></b>
<b><u>ALLOCATIONS/OTHER</u></b>			
Bureau of Transportation Statistics	67	70	70
<b>SUBTOTAL, ALLOCATIONS/OTHER</b>	<b><u>67</u></b>	<b><u>70</u></b>	<b><u>70</u></b>
<b>TOTAL FTEs</b>	<b><u>1,405</u></b>	<b><u>1,511</u></b>	<b><u>1,540</u></b>



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

<b><u>DIRECT FUNDED BY APPROPRIATION</u></b>	<b>FY 2013 ACTUAL</b>	<b>FY 2014 ENACTED</b>	<b>FY 2015 REQUEST</b>
Salaries and Expenses <sup>1/</sup>	486	495	502
Office Civil Rights	55	55	55
Minority Business Outreach	4	4	4
Transportation Planning, Research and Development	33	33	33
TIGER Grants Program (NII)	12	12	12
Interagency Permitting Improvement Center (IPIC)	0	0	7
Minority Business Resource Center Program	1	1	1
Research and Development	36	36	36
Essential Air Service	14	14	14
<b>SUBTOTAL, DIRECT FUNDED</b>	<b><u>641</u></b>	<b><u>650</u></b>	<b><u>664</u></b>
<b><u>REIMBURSABLE</u></b>			
Salaries and Expenses	18	29	30
Research and Development	70	70	70
Volpe Working Capital Fund	550	550	550
Working Capital Fund	256	259	259
<b>SUBTOTAL, REIMBURSABLE</b>	<b><u>894</u></b>	<b><u>908</u></b>	<b><u>909</u></b>
<b><u>ALLOCATIONS/OTHER</u></b>			
Bureau of Transportation Statistics	117	117	117
<b>SUBTOTAL, ALLOCATIONS/OTHER</b>	<b><u>117</u></b>	<b><u>117</u></b>	<b><u>117</u></b>
<b>TOTAL POSITIONS</b>	<b><u>1,652</u></b>	<b><u>1,675</u></b>	<b><u>1,690</u></b>

<sup>1/</sup> Includes SCASDP

EXHIBIT III-1  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, [\$107,000,000, of which not to exceed \$2,652,000 shall be available for the immediate Office of the Secretary; not to exceed \$1,000,000 shall be available for the immediate Office the Deputy Secretary; not to exceed \$19,900,000 shall be available for the Office of the General Counsel; not to exceed \$10,271,000 shall be available for the Office of the Under Secretary of Transportation for Policy; not to exceed \$12,676,000 shall be available for the Office of the Assistant Secretary for Budget and Programs; not to exceed \$2,530,000 shall be available for the Office of the Assistant Secretary for Governmental Affairs; not to exceed \$26,378,000 shall be available for the Assistant Secretary for Administration; not to exceed \$2,020,000 shall be available for the Office of Public Affairs; not to exceed \$1,714,000 shall be available for the Office of the Executive Secretariat; not to exceed \$1,386,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed \$10,778,000 shall be available for the Office of Intelligence, Security, and Emergency Response; and not to exceed \$15,695,000 shall be available for the Office of the Chief Information Officer; *Provided*, That the Secretary of Transportation is authorized to transfer funds appropriated for any office of the Office of the Secretary to any other office of the Office of the Secretary: *Provided further*, That no appropriation for any office shall be increased or decreased by more than 5 percent by all such transfers: *Provided further*, That notice of any change in funding greater than 5 percent shall be submitted for approval to the House and Senate Committees on Appropriations] \$109,916,000: *Provided* [further], That not to exceed \$60,000 shall be for allocation within the Department for official reception and representation expenses as the Secretary may determine: *Provided further*, That, notwithstanding any other provision of law, excluding fees authorized in Public Law 107-71, there may be credited to this appropriation up to \$2,500,000 in funds received in user fees[: *Provided further*, That none of the funds provided in this Act shall be available for the position of Assistant Secretary for Public Affairs]. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

EXHIBIT III-1  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Office of the Secretary	2,481	2,652	2,696	43
Office of the Deputy Secretary	933	1,000	1,011	11
Office of the Under Secretary Transportation Policy	9,578	10,271	10,417	146
Office of the Executive Secretariat	1,512	1,714	1,746	32
Office of Small and Disadvantaged Business	1,297	1,386	1,414	28
Office of Intel., Sec. and Emergency Resp.	10,214	10,778	11,055	277
Office of the Chief Information Officer	14,204	15,695	16,106	411
Office of Public Affairs	1,914	2,020	2,061	41
Office of the Asst. Sec. for Budget and Programs	9,987	12,676	13,111	435
Office of General Counsel	18,494	19,900	20,312	412
Office of the Asst. Sec. for Governmental Affairs	2,369	2,530	2,567	37
Office of the Asst. Sec. for Administration	<u>24,137</u>	<u>26,378</u>	<u>27,420</u>	<u>1,042</u>
Total	97,121	107,000	109,916	2,916
FTEs				
Direct Funded (Includes SCASDP)	406	456	466	10
Reimbursable, allocated, other	16	16	27	11

**Program and Performance Statement**

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

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

For necessary expenses for upgrading and enhancing the Department of Transportation's financial systems and re-engineering business processes, [\$7,000,000] \$5,000,000, to remain available through September 30, [2015]2016. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED.	FY 2015 REQUEST	CHANGE FY 2014- 2015
Financial Management Capital	4,729	7,000	5,000	-2,000
Total	4,729	7,000	5,000	-2,000
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

This appropriation provides funds to upgrade the commercial software used for DOT's core financial system. This effort will improve system security, enhance financial reporting capabilities, and position DOT to provide shared services across the Government.

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, [\$9,551,000] \$9,600,000. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Office of Civil Rights	8,893	9,551	9,600	49
	8,893	9,551	9,600	49
FTEs				
Direct Funded	41	53	53	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

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

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS OUTREACH

For necessary expenses of Minority Business Resource Center outreach activities, [\$3,088,000] \$3,099,000 to remain available until September 30, [2015] 2016: *Provided*, That notwithstanding 49 U.S.C. 332, these funds may be used for business opportunities related to any mode of transportation. (*Department of Transportation Appropriations Act, 2014.*)



Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS OUTREACH

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014-2015
Minority Business Outreach	2,908	3,088	3,099	11
Total	2,908	3,088	3,099	11
FTEs				
Direct Funded	3	4	4	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

INTERAGENCY PERMITTING IMPROVEMENT CENTER

INFRASTRUCTURE PERMITTING CENTER

*For necessary expenses to establish and implement an Interagency Infrastructure Permitting Improvement Center that will develop and implement reforms for the permitting and review of major infrastructure projects and develop and deploy information technology tools to track project schedules and metrics and improve the transparency and accountability of the permitting process, \$8,000,000, to remain available until expended.*

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

INTERAGENCY PERMITTING IMPROVEMENT CENTER

INFRASTRUCTURE PERMITTING CENTER

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Infrastructure Permitting Center	0	0	8,000	8,000
	0	0	8,000	8,000
<b>FTEs</b>				
Direct Funded	0	0	4	4
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

This appropriation provides funds to establish and operate an Interagency Infrastructure Permitting Improvement Center. The Center will develop and implement reforms for the permitting and review of major infrastructure projects and develop and deploy information technology tools to track project schedules and metrics and improve the transparency and accountability of the permitting process.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH, AND DEVELOPMENT

[(INCLUDING RESCISSIONS)]

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended, [\$7,000,000: *Provided*, That of the unobligated balances made available by Public Law 111-117, \$750,000 are hereby rescinded: *Provided further*, That of the unobligated balances made available by section 195 of Public Law 111-117, \$2,000,000 are hereby rescinded] \$8,000,000. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY

(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014-2015
Transportation Planning, Research and Development	8,529	7,000	8,000	1,000
Total	8,529	7,000	8,000	1,000
FTEs				
Direct Funded	25	32	32	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS

[For capital investments in surface transportation infrastructure, \$600,000,000, to remain available through September 30, 2016: *Provided*, That the Secretary of Transportation shall distribute funds provided under this heading as discretionary grants to be awarded to a State, local government, transit agency, or a collaboration among such entities on a competitive basis for projects that will have a significant impact on the Nation, a metropolitan area, or a region: *Provided further*, That projects eligible for funding provided under this heading shall include, but not be limited to, highway or bridge projects eligible under title 23, United States Code; public transportation projects eligible under chapter 53 of title 49, United States Code; passenger and freight rail transportation projects; and port infrastructure investments: *Provided further*, That the Secretary may use up to 35 percent of the funds made available under this heading for the purpose of paying the subsidy and administrative costs of projects eligible for Federal credit assistance under chapter 6 of title 23, United States Code, if the Secretary finds that such use of the funds would advance the purposes of this paragraph: *Provided further*, That in distributing funds provided under this heading, the Secretary shall take such measures so as to ensure an equitable geographic distribution of funds, an appropriate balance in addressing the needs of urban and rural areas, and the investment in a variety of transportation modes: *Provided further*, That a grant funded under this heading shall be not less than \$10,000,000 and not greater than \$200,000,000: *Provided further*, That not more than 25 percent of the funds made available under this heading may be awarded to projects in a single State: *Provided further*, That the Federal share of the costs for which an expenditure is made under this heading shall be, at the option of the recipient, up to 80 percent: *Provided further*, That the Secretary shall give priority to projects that require a contribution of Federal funds in order to complete an overall financing package: *Provided further*, That not less than 20 percent of the funds provided under this heading shall be for projects located in rural areas: *Provided further*, That for projects located in rural areas, the minimum grant size shall be \$1,000,000 and the Secretary may increase the Federal share of costs above 80 percent: *Provided further*, That of the amount made available under this heading, the Secretary may use an amount not to exceed \$35,000,000 for the planning, preparation, or design of projects eligible for funding under this heading: *Provided further*, That projects conducted using funds provided under this heading must comply with the requirements of subchapter IV of chapter 31 of title 40, United States Code: *Provided further*, That the Secretary shall conduct a new competition to select the grants and credit assistance awarded under this heading: *Provided further*, That the Secretary may retain up to \$20,000,000 of the funds provided under this heading and may transfer portions of those funds to the Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration and the Federal Maritime Administration, to fund the award and oversight of grants and credit assistance made under the National Infrastructure Investments program.]  
(*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS (Discretionary)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED.	FY 2015 REQUEST	CHANGE FY 2014- 2015
Infrastructure Investments: Discretionary	473,847	600,000	0	-600,000
Total	473,847	600,000	0	-600,000
FTEs				
Direct Funded	10	10	0	-10
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

The Office of the Secretary's (OST) National Infrastructure Investments program, also known as the TIGER program, provides funding for grant awards or credit assistance on a competitive basis for capital investments in surface transportation infrastructure that will have a significant impact on the Nation, a metropolitan area or a region. No funds are requested in this account for FY 2015. The Administration is proposing funding for this program within the multi-year surface transportation reauthorization. As part of that reauthorization proposal, programs currently administered from this account would be continued in a new National Infrastructure Investments Trust Fund account that would be funded from the Multimodal Account of the Transportation Trust Fund.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS  
(TRANSPORTATION TRUST FUND)

(LIQUIDATION OF CONTRACT AUTHORITY)

(LIMITATION ON OBLIGATIONS)

(TRANSPORTATION TRUST FUND)

*Contingent upon enactment of multi-year surface transportation authorization legislation, \$1,250,000,000 to be derived from the Transportation Trust Fund (Multimodal Account), to remain available until expended, for payment of obligations for the National Infrastructure Investments program authorized under Title 23, United States Code, as amended by such authorization: Provided, That funds available for the National Infrastructure Investments program authorized under Title 23, United States Code, shall not exceed total obligations of \$1,250,000,000, to remain available for obligation until September 30, 2017: Provided further, That the Secretary may retain up to \$20,000,000 of the funds provided for this program, and may transfer portions of those funds to Administrators of the Federal Highway Administration, the Federal Transit Administration, the Federal Railroad Administration, and the Federal Maritime Administration, to fund the award and oversight of Grants and credit assistance made under the National Infrastructure Investments program.*



Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS (Mandatory)  
(TRANSPORTATION TRUST FUND)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED.	FY 2015 REQUEST	CHANGE FY 2014- 2015
TIGER GRANTS PROGRAM FUND	0	0	1,250,000	1,250,000
Total	0	0	1,250,000	1,250,000
FTEs				
Direct Funded	0	0	10	10
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

The FY 2015 Budget presents the Office of the Secretary’s proposed reauthorization program and account structure, including the creation of a new National Infrastructure Investments account, also known as the TIGER Grants program. The Administration proposes to fund this account from the Multimodal Account of the Transportation Trust Fund. The FY 2015 Budget request includes \$1.25 billion for this account. For FY 2015, this account provides funding for grant awards or credit assistance on a competitive basis for capital investments in surface transportation infrastructure that will have a significant impact on the Nation, a metropolitan area or a region.

The Administration proposes to move a number of current General Fund programs into the Transportation Trust Fund, as part of surface transportation reauthorization.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of guaranteed loans, [\$333,000] *\$417,000*, as authorized by 49 U.S.C. 332: *Provided*, That such costs, including the cost of modifying such loans, shall be as defined in section 502 of the Congressional Budget Act of 1974: *Provided further*, That these funds are available to subsidize total loan principal, any part of which is to be guaranteed, not to exceed \$18,367,000.

In addition, for administrative expenses to carry out the guaranteed loan program, [\$592,000] *\$596,000*. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Minority Business Resource Center Program	874	925	1,013	88
Total	874	925	1,013	88
FTEs				
Direct Funded	1	1	1	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM  
GUARANTEED LOAN FINANCING ACCOUNT

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

For necessary expenses for cyber security initiatives, including necessary upgrades to wide area network and information technology infrastructure, improvement of network perimeter controls and identity management, testing and assessment of information technology against business, security, and other requirements, implementation of Federal cyber security initiatives and information infrastructure enhancements, implementation of enhanced security controls on network devices, and enhancement of cyber security workforce training tools, [\$4,455,000] \$5,000,000 to remain available through September 30, [2015]2016. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Cyber Security Initiatives	9,477	4,455	5,000	545
Total	9,477	4,455	5,000	545
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

RESEARCH AND TECHNOLOGY

For necessary expenses related to the Office of the Assistant Secretary for Research and Technology, [\$14,765,000] *\$14,625,000*, of which \$8,218,000 shall remain available until September 30, [2016]2017: *Provided*, That there may be credited to this appropriation, to be available until expended, funds received from States, counties, municipalities, other public authorities, and private sources for expenses incurred for training: *Provided further*, [That notwithstanding any other provision of law, the powers and duties, functions, authorities and personnel of the Research and Innovative Technology Administration are hereby transferred to the Office of the Assistant Secretary for Research and Technology in the Office of the Secretary: *Provided further*, That notwithstanding section 102 of title 49 and section 5315 of title 5, United States Code there shall be an Assistant Secretary for Research and Technology within the Office of the Secretary, appointed by the President with the advice and consent of the Senate, to lead such office; *Provided further*,] That any reference in law, regulation, judicial proceedings, or elsewhere to the Research and Innovative Technology Administration shall *continue to be* deemed to be a reference to the Office of the Assistant Secretary for Research and Technology of the Department of Transportation: *Provided further*, *That the Office of the Assistant Secretary for Research and Technology shall have the authority to accept funding from modal administrations for support of Global Positioning System activities pursuant for reimbursable agreements. (Department of Transportation Appropriations Act, 2014.)*

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY RESEARCH AND TECHNOLOGY APPROPRIATION SUMMARY BY PROGRAM ACTIVITY (\$000)				
	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE 2014-2015
<u>Research and Technology</u>				
Salaries and Administrative Expenses	6,609	6,547	6,407	(140)
RD&T Coordination	482	509	509	0
Alternative Energy (Formerly Alternative Fuels)	473	499	499	0
Nationwide Differential Global Positioning System	7,203	5,600	5,600	0
Positioning, Navigation and Timing	378	1,610	1,610	0
TOTAL: [Discretionary]	15,145	14,765	14,625	(140)
<u>FTEs</u>				
Direct Funded	26	26	26	0
Allocation/Reimbursable/Other:				0
Bureau of Transportation Statistics	67	70	70	0
Airline Transportation Statistics Program	11	14	14	0
Transportation Safety Institute	29	36	36	0
Volpe National Transportation Systems Center	536	532	532	0
Intelligent Transportation Systems [non-add]	[17]	[17]	[17]	0

**Program and Performance Statement**

The Office of the Assistant Secretary for Research and Technology is responsible for facilitating and reviewing the Department's research, development, and technology portfolio as well as enhancing the data collection and statistical analysis programs to support data-driven decision-making. The Office of the Assistant Secretary for Research and Technology is also responsible for Positioning, Navigation, and Timing (PNT) technology, PNT policy coordination, and spectrum management, and it is the program manager for the Nationwide Differential Global Positioning System.

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

The Bureau of Transportation Statistics (BTS) manages and shares statistical knowledge and information on the Nation's transportation systems, including statistics on freight movement,



geospatial transportation information, and transportation economics. BTS is funded by an allocation from the Federal Highway Administration's Federal-Aid Highways account.

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

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

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

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

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY BUREAU OF TRANSPORTATION STATISTICS SUMMARY BY PROGRAM ACTIVITY (\$000)				
	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE 2014-2015
<u>Account:</u>				
Salaries and Administrative Expenses	[20,867]	[20,919]	[20,919]	[0]
Bureau of Transportation Statistics	[5,081]	[5,081]	[8,081]	[3,000]
TOTAL [Allocation]:	[25,948]	[26,000]	[29,000]	[3,000]
<u>FTEs:</u>				
Direct Funded	67	70	70	0
Reimbursable, allocated, other:	11	14	14	0

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND

SAFE TRANSPORT OF OIL

*For multi-modal prevention and response activities associated with the safe transportation of crude oil, \$40,000,000, to remain available through September 30, 2016: Provided, That such funds shall be available to support such activities, including enhanced inspection levels, hiring of additional personnel and administrative costs, investigative efforts, research and data analysis, economic analysis, training and outreach, and testing in the highest risk areas; Provided further, That the Secretary of Transportation may transfer such funds to the Federal Railroad Administration, Pipeline and Hazardous Materials Safety Administration, and the Federal Motor Carrier Safety Administration, for the conduct of activities under this heading.*

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND

SAFE TRANSPORT OF OIL

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Safe Transportation of Energy Products Fund	0	0	40,000	40,000
Total	0	0	40,000	40,000
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

This appropriation provides funds for a multi-modal initiative to support prevention and response activities associated with the safe transportation of oil, including enhanced inspection levels, additional safety inspectors, investigative efforts, research and data analysis, economic analysis, training and outreach, and testing in high risk areas. The funds would be available for initiatives within the Federal Railroad Administration, Pipeline and Hazardous Materials Safety Administration, and the Federal Motor Carrier Safety Administration. The Administrators of those Operating Administrations along with representatives of designated offices within the Office of the Secretary would jointly serve as a decision-making board for the use of the funds and would be responsible for their effective administration. Funds also could be used to support collaborative efforts with other Federal Departments and agencies, such as the Department of Energy, the Department of Interior, and the Environmental Protection Agency. The Department will submit a Report to Congress discussing lessons learned and best practices resulting from this initiative.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

PAYMENTS TO AIR CARRIERS  
(AIRPORT AND AIRWAY TRUST FUND)

In addition to funds made available from any other source to carry out the essential air service program under 49 U.S.C. 41731 through 41742, [\$149,000,000] *\$155,000,000*, to be derived from the Airport and Airway Trust Fund, to remain available until expended: *Provided*, That in determining between or among carriers competing to provide service to a community, the Secretary may consider the relative subsidy requirements of the carriers: *Provided further*, That basic essential air service minimum requirements shall not include the 15-passenger capacity requirement under subsection 41732(b)(3) of title 49, United States Code: *Provided further*, That none of the funds in this Act or any other Act shall be used to enter into a new contract with a community located less than 40 miles from the nearest small hub airport before the Secretary has negotiated with the community over a local cost share. (*Department of Transportation Appropriations Act, 2014.*)

Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

PAYMENTS TO AIR CARRIERS  
(AIRPORT AND AIRWAY TRUST FUND)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014-2015
Payments to Air Carriers	135,520	149,000	155,000	6,000
Total	135,520	149,000	155,000	6,000
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

**Program and Performance Statement**

Through 1997, the Essential Air Service program was funded from the Airport and Airway Trust Fund. Starting in 1998, the Federal Aviation Administration reauthorization funded it as a mandatory program supported by overflight fees under the Essential Air Service and Rural Airport Improvement Fund. In addition to mandatory funding supported by overflight fees, direct appropriations from the Airport and Airway Trust Fund to Payments to Air Carriers have been enacted every year beginning in 2002 to meet the needs of the essential air service program. For FY 2015, \$155 million is requested from the Airport and Airway Trust Fund for Payments to Air Carriers.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY  
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- 2015
Essential Air Service [Mandatory]	97,698	120,640	106,000	-14,640
Total	97,698	120,640	106,000	-14,640
FTEs				
Direct Funded	13	13	13	0
Reimbursable, allocated, other	0	0	0	0

NOTE: The FY 2015 Budget assumes \$102 million in obligations against the \$106 million mandatory appropriation pursuant to the FAA Modernization and Reform Act.

**Program and Performance Statement**

The Federal Aviation Reauthorization Act of 1996 (P.L. 104-264) authorized the collection of user fees for services provided by the Federal Aviation Administration (FAA) to aircraft that neither take off nor land in the United States, commonly known as overflight fees. The Act permanently appropriated the first \$50 million of such fees for the Essential Air Service program and rural airport improvements. In addition, the FAA Modernization and Reauthorization Act (P.L. 112-95) requires that, in any fiscal year, overflight fees collected in excess of \$50 million will be available to carry out the EAS program.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

[For necessary expenses for operating costs and capital outlays of the Working Capital Fund, not to exceed \$178,000,000 shall be paid from appropriations made available to the Department of Transportation: *Provided*, That such services shall be provided on a competitive basis to entities within the Department of Transportation: *Provided further*, That the above limitation on operating expenses shall not apply to non-DOT entities: *Provided further*, That no funds appropriated in this Act to an agency of the Department shall be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary: *Provided further*, That no assessments may be levied against any program, budget activity, subactivity or project funding by this Act unless notice of such assessments and the bases therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.] (*Department of Transportation Appropriations Act, 2014.*)



Section 3 – FY 2015 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND  
(In thousands of dollars)

PROGRAM	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE FY 2014- FY 2015
WCF DOT Activities	171,656	178,000	187,717	9,717
WCF Non-DOT Activities	319,120	340,482	341,102	620
<b>TOTAL</b>	<b>490,776</b>	<b>518,482</b>	<b>528,819</b>	<b>10,337</b>
FTEs:				
Reimbursable FTE	224	248	252	4

**Program and Performance Statement**

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

DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY Volpe National Transportation Systems Center SUMMARY BY PROGRAM ACTIVITY (\$000)				
	FY 2013 ENACTED	FY 2014 ENACTED	FY 2015 REQUEST	CHANGE 2014-2015
<u>Account:</u>				
Volpe National Transportation Systems Center	[260,000]	[260,000]	[260,000]	[0]
<b>TOTAL</b>	[260,000]	[260,000]	[260,000]	[0]
<u>FTEs:</u>				
Direct Funded	0	0	0	0
Reimbursable, allocated, other: Volpe National Transportation Systems Center	536	532	532	0

**Program and Performance Statement**

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

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

*Sec. 101. None of the funds made available in this Act to an agency of the Department of Transportation shall be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary.*

- ❖ Section 101 proposes a provision that will retain the language under the Working Capital Fund heading in the Consolidated and Further Continuing Appropriations Act, 2012 (P.L. 112-55) whereby no funds appropriated in the Act to an agency of the Department can be transferred to the Working Capital Fund without majority approval of the Working Capital Fund Steering Committee and approval of the Secretary.

*Sec. 102. The Secretary or his designee may engage in activities with the States and State legislators to consider proposals related to the reduction of motorcycle fatalities.*

- ❖ Section 102 retains the provision of allowing the Secretary or his designee to engage in activities with the States and State legislators to consider proposals related to the reduction of motorcycle fatalities.

*Sec. 103. Notwithstanding section 3324 of title 31, United States Code, in addition to authority provided by section 327 of title 49, United States Code, the Department's Working Capital Fund is hereby authorized to provide payments in advance to vendors that are necessary to carry out the Federal transit pass transportation fringe benefit program under Executive Order 13150 and section 3049 of Public Law 109-59: Provided, That the Department shall include adequate safeguards in the contract with the vendors to ensure timely and high-quality performance under the contract.*

- ❖ Section 103 retains the provision authorizing the Department's Working Capital Fund to provide payments in advance to vendors that are necessary to carry out the Federal transit pass transportation fringe benefit program.

*Section 104. The Secretary shall post on the Web site of the Department of Transportation a schedule of all meetings of the Credit Council, including the agenda for each meeting, and require the Credit Council to record the decisions and actions of each meeting.*

- ❖ Section 104 retains the provision that the Secretary post on the Web site of the Department of Transportation a schedule of all meeting of the Credit Council, including the agenda for each meeting, and require the Credit Council to record the decisions and actions of each meeting.

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

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

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

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

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

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

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

Sec. 183.

(a) No recipient of funds made available in this Act shall disseminate personal information (as defined in 18 U.S.C. 2725(3)) obtained by a State department of motor vehicles in connection with a motor vehicle record as defined in 18 U.S.C. 2725(1), except as provided in 18 U.S.C. 2721 for a use permitted under 18 U.S.C. 2721.

(b) Notwithstanding subsection (a), the Secretary shall not withhold funds provided in this Act for any grantee if a State is in noncompliance with this provision.

❖ Section 183 retains the provision that prohibits recipients of funds made available in this Act from releasing certain personal information and photographs from a driver's license or motor vehicle record, without express consent of the person to whom such information pertains; and prohibits the withholding of funds provided in this Act for any grantee if a State is in noncompliance with this provision.

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

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

Sec 185. None of the funds in this Act to Department of Transportation may be used to make a grant unless the Secretary of Transportation notifies the House and Senate Committees on Appropriations not less than 3 full business days before any project competitively selected to receive a discretionary grant award, any discretionary grant award, letter of intent, or full funding grant agreement *totaling \$1,000,000 or more* is announced by the department or its modal administrations from:

- (1) any discretionary grant program of the Federal Highway Administration including the emergency relief program;
- (2) the airport improvement program of the Federal Aviation Administration;
- (3) any program of the Federal Railroad Administration;
- (4) any program of the Federal Transit Administration other than the formula grants and fixed guideway modernization programs; or
- (5) any program of the Maritime Administration; or
- (5) any funding provided under the headings “National Infrastructure Investments” in this Act: *Provided*, That the Secretary gives concurrent notification to the House and Senate Committees on Appropriations for any “quick release” of funds from the emergency relief program: *Provided further*, That no notification shall involve funds that are not available for obligation.

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

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

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

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

- (1) to reimburse the actual expense incurred by the Department of Transportation in recovering improper payments; and
- (2) to pay contractors for services provided in recovering improper payments or contractor support in the implementation of the Improper Payments Information Act of 2002: *Provided*, That amounts in excess of that required for paragraphs (1) and (2)--
  - (A) shall be credited to and merged with the appropriation from which the improper payments were made, and shall be available for the purposes and period for which such appropriations are available: *Provided further*, That where specific project or accounting information associated with the improper payment or payments is not readily available the Secretary may credit an appropriate account, which shall be available for the purposes and period associated with the account so credited; or
  - (B) if no such appropriation remains available, shall be deposited in the Treasury as miscellaneous receipts: *Provided further*, That prior to the transfer of any such recovery to an appropriations account, the Secretary shall notify to the House and Senate Committees on Appropriations of the amount and reasons for such transfer: *Provided further*, That for purposes of this section, the term “improper payments”, has the same meaning as that provided in section 2(d)(2) of Public Law 107-300.

❖ Section 187 retains the provision that allows amounts from improper payments to a third party contractor that are lawfully recovered by the DOT to be available to cover expenses incurred in the recovery of such payments.

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

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

Section 189. None of the funds appropriated or otherwise made available under this Act may be used by the Surface Transportation Board of the Department of Transportation to charge or collect any filing fee for rate or practice complaints filed with the Board in an amount in excess

of the amount authorized for district court civil suit filing fees under section 1914 of title 28, United States Code.

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

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

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

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

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

**GENERAL PROVISIONS—THIS ACT**

Sec. 401. None of the funds in this Act shall be used for the planning or execution of any program to pay the expenses of, or otherwise compensate, non-Federal parties intervening in regulatory or adjudicatory proceedings funded in this Act.

❖ Section 401 continues the prohibition on the use of funds for pay and other expenses provided in the appropriation act for compensating non-Federal parties intervening in regulatory or adjudicatory proceedings funded by the act.

Sec. 402. None of the funds appropriated in this Act shall remain available for obligation beyond the current fiscal year, nor may any be transferred to other appropriations, unless expressly so provided herein.

❖ Section 402 continues the prohibition on obligations beyond the current fiscal year and transfers of funds to other appropriations unless expressly provided in the appropriations act.

Sec. 403. The expenditure of any appropriation under this Act for any consulting service through procurement contract pursuant to section 3109 of title 5, United States Code, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive order issued pursuant to existing law.

❖ Section 403 continues the limitation on expenditures for consulting service through procurement contracts where such expenditures are a matter of public record and available for public inspection.

Sec. 404. Except as otherwise provided in this Act, none of the funds provided in this Act, provided by previous appropriations Acts to the agencies or entities funded in this Act that remain available for obligation or expenditure in fiscal year 2014, or provided from any accounts in the Treasury derived by the collection of fees and available to the agencies funded by this Act, shall be available for obligation or expenditure through a reprogramming of funds that:

- (1) creates a new program;
- (2) eliminates a program, project or activity;
- (3) increases funds or personnel for any program, project, or activity for which funds have been denied or restricted by the Congress;
- (4) proposes to use funds directed for a specific activity by either the House or Senate Committees on Appropriations for a different purpose;
- (5) augments existing programs, projects, or activities in excess of \$5,000,000 or 10 percent, whichever is less;



(6) reduces existing programs, projects, or activities by \$5,000,000 or 10 percent, whichever is less; or

(7) creates, reorganizes, or restructures a branch, division, office, bureau, board, commission, agency, administration, or department different from the budget justifications submitted to the Committees on Appropriations or the table accompanying the explanatory statement accompanying this Act, whichever is more detailed, unless *notice is transmitted to the House and Senate Committees on Appropriations*:

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

(A) a table for each appropriation with a separate column to display the President's budget request, adjustments made by Congress, adjustments due to enacted rescissions, if appropriate, and the fiscal year enacted level;

(B) a delineation in the table for each appropriation and its respective prior year enacted level by object class and program, project, and activity as detailed in the budget appendix for the respective appropriation; and

(C) an identification of items of special congressional interest.

❖ Section 404 continues the provision that each Department provide a report to the Committees on Appropriations that establishes the baseline for application of reprogramming and transfer authorities for the current fiscal year not later than 60 days after enactment.

Sec. 405. Except as otherwise specifically provided by law, not to exceed 50 percent of unobligated balances remaining available at the end of fiscal year 2015 from appropriations made available for salaries and expenses for fiscal year 2015 in this Act, shall remain available through September 30, 2016, for each such account for the purposes authorized: *Provided*, That *notice* shall be submitted to the House and Senate Committees on Appropriations prior to the expenditure of such funds: *Provided further*, That these *notifications* shall be made in compliance with reprogramming guidelines under section 405 of this Act.

❖ Section 405 continues the provision providing that 50 percent of unobligated balances are available for certain purposes.

Sec. 406. No funds in this Act may be used to support any Federal, State, or local projects that seek to use the power of eminent domain, unless eminent domain is employed only for a public use: *Provided*, That for purposes of this section, public use shall not be construed to include economic development that primarily benefits private entities: *Provided further*, That any use of funds for mass transit, railroad, airport, seaport or highway projects as well as utility

projects which benefit or serve the general public (including energy-related, communication-related, water-related and wastewater-related infrastructure), other structures designated for use by the general public or which have other common-carrier or public-utility functions that serve the general public and are subject to regulation and oversight by the government, and projects for the removal of an immediate threat to public health and safety or brownfields as defined in the Small Business Liability Relief and Brownfields Revitalization Act (Public Law 107-118) shall be considered a public use for purposes of eminent domain.

❖ Section 406 continues the provision prohibiting the use of funds for eminent domain unless such taking is employed for public use.

Sec. 407. None of the funds made available in this Act may be transferred to any department, agency, or instrumentality of the United States Government, except pursuant to a transfer made by, or transfer authority provided in, this Act or any other appropriations Act.

❖ Section 407 proposes a provision that does not allow any funds provided in the Act to be transferred to any department, Agency, or instrumentality of the U.S. Government unless transfer made by or transfer authority provided in this Act or other Appropriations Act.

Sec. 408. No funds appropriated pursuant to this Act may be expended by an entity unless the entity agrees that in expending the assistance the entity will comply with sections 2 through 4 of the Act of March 3, 1933 (41 U.S.C. 10a-10c, popularly known as the “Buy American Act”).

❖ Section 408 prohibits the availability of funds to any person or entity that does not comply with the Buy American Act.

Sec. 409. No funds appropriated or otherwise made available under this Act shall be made available to any person or entity that has been convicted of violating the Buy American Act (41 U.S.C. 10a-10c).

❖ Section 409 prohibits the availability of funds to any person or entity that has been convicted of violating the Buy American Act.

Sec. 410. None of the funds made available in this Act may be used for first-class airline accommodations in contravention of sections 301-10.122 and 301-10.123 of title 41, Code of Federal Regulations.

❖ Section 410 prohibits the use of funds for the purchase of first-class airline accommodations.

Sec. 411. None of the funds made available under this Act or any prior Act may be provided to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, or allied organizations.

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❖ Section 411 prohibits Federal funds from being provided to the Association of Community Organizations for Reform Now (ACORN), or any of its affiliates, subsidiaries, or allied organizations.

Sec. 412. None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to any corporation that was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a *Federal* agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government.

❖ Section 412 prohibits Federal funds from being provided to any corporation that was convicted of a felony criminal violation under any Federal law.

Sec. 413. None of the funds made available by this Act may be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation with any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a *Federal* agency has considered suspension or debarment of the corporation and made a determination that this further action is not necessary to protect the interests of the Government.

❖ Section 413 prohibits Federal funds from being provided to any corporation with any unpaid Federal tax liability.

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

**Office of the Secretary of Transportation**

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

**SAFETY:**

**DOT Goal: Safety**

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

	2010	2011	2012	2013	2014	2015
Increase the number of States and localities that adopt roadway design policies that accommodate all road users (i.e., complete streets) from 22 states and one territory in 2010. *						
State - Target	N/A	25	26	27	30	31
State - Actual	22	26	29	29		
Local – Target	N/A	220	230	240	240	240
Local – Actual	192	220	369	479		
MPO – Target	N/A	N/A	N/A	N/A	58	69
MPO – Actual	N/A	N/A	42	51	N/A	

\*For FY 2014 and 2015, set target for states plus MPOs, as MPOs are responsible for planning for use of Federal transportation funds. Localities would not be reported for the measure.

**ECONOMIC COMPETITIVENESS:**

**DOT Goal: Economic Competitiveness**

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

Advance DOT goals with foreign governments through the conduct of at least 75 annual international meetings, and other events at the Secretary, Deputy Secretary, or Under Secretary Level	2010	2011	2012	2013	2014	2015
Target	75	75	75	75	75	75
Actual	135	185	230	176		

**DOT Goal: Economic Competitiveness**

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

Establish or participate in 14 technology transfer and capacity building programs to improve training opportunities for international transport ministries to U.S. transportation technologies.	2010	2011	2012	2013	2014	2015
Target	N/A	N/A	14	14	14	14
Actual	N/A	N/A	14	22		

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**DOT Goal: Economic Competitiveness**

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

Reach 3 or more new bilateral and multilateral aviation agreements to remove market distorting barriers to trade transportation.	2010	2011	2012	2013	2014	2015
Target	3	3	3	3	3	3
Actual	7	4	5	5		

**DOT Goal: Economic Competitiveness**

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

Increase percent of total dollar value of DOT direct contracts awarded to small, disadvantaged businesses.	2010	2011	2012	2013	2014	2015
Target	15%	15%	15%	15%	15%	15%
Actual	14.5%	19.5	18.62%	19%*		

\*Preliminary. SBA has not verified as of publication date.

**DOT Goal: Economic Competitiveness**

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

Increase percent of total dollar value of DOT direct contracts awarded to women owned businesses.	2010	2011	2012	2013	2014	2015
Target	6%	6%	6%	6%	6%	6%
Actual	7.85%	11.1%	9.24%	11%*		

\*Preliminary. SBA has not verified as of publication date.

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**DOT Goal: Economic Competitiveness**

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

Percent of consumer complaints reviewed by a transportation industry analyst within two business days of receipt, regardless of mechanism of receipt (email, phone or letter).	2010	2011	2012	2013	2014	2015
Target	100%	100%	100%	100%	100%	100%
Actual	100%	100%	100%	100%		

**DOT Goal: Economic Competitiveness**

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

Median investigation time (days) for civil rights complaints (disability and other discrimination)	2010	2011	2012	2013	2014	2015
Target	180	180	180	125	100	100
Actual	130	100	82	70		

**ENVIRONMENTAL SUSTAINABILITY:**

**DOT Goal: Environmental Sustainability**

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

30 percent reduction in DOT building energy intensity use by 2015 from a FY 2005 baseline.	2010	2011	2012	2013	2014	2015
Target	15%	18%	21%	24%	27%	30%
Actual	20.2%	26.4%	24%	19.6%		

**DOT Goal: Environmental Sustainability**

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

30 percent reduction in vehicle fleet petroleum use by 2020 from a FY 2005 baseline.	2010	2011	2012	2013	2014	2015
Target	10%	12%	14%	16%	18%	20%
Actual	5%	4.9%	14.5%	22.1%		

**DOT Goal: Environmental Sustainability**

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

26 percent improvement in water efficiency by 2020 from a FY 2007 baseline.	2010	2011	2012	2013	2014	2015
Target	6%	8%	10%	12%	14%	16%
Actual	(1.2%)	(9.7%)	0.9%	24.1%		



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**DOT Goal: Environmental Sustainability**

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

50 percent recycling and waste diversion by 2015.	2010	2011	2012	2013	2014	2015
Target	2%	4%	6%	8%	40%	50%
Actual	*	*	11%	6.6%		

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

**DOT Goal: Environmental Sustainability**

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

95 percent of all applicable contracts will meet sustainability requirements by 2020.	2010	2011	2012	2013	2014	2015
Target	95%	95%	95%	95%	95%	95%
Actual	*	95%	95%	95%		

\*Actual data is not available for FY 2010.

**DOT Goal: Environmental Sustainability**

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

12.3 percent reduction in greenhouse gas emissions from facilities and fleets by 2020 from a FY 2008 baseline.	2010	2011	2012	2013	2014	2015
Target	0%	2%	4%	7%	9%	11%
Actual	7.9%	15.4%	29%	27.1%		

Section 3 - FY 2015 Budget Request by Appropriation

**DOT Goal: Environmental Sustainability**

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

10.9 percent reduction in greenhouse gas emissions from employee business travel and commuting by 2020 from a FY 2008 baseline	2010	2011	2012	2013	2014	2015
Target	0%	0%	2%	4%	6%	8%
Actual	(4.7%)	<0.1%	14%	26.9%		

**ORGANIZATIONAL EXCELLENCE:**

**DOT Goal: Organizational Excellence**

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

Percent of excluded party's information that is placed into EPLS within 5 business days of receiving notification from the modal administration and secretarial offices.	2010	2011	2012	2013	2014	2015
Target	100%	100%	100%	100%	100%	100%
Actual	100%	100%	100%	100%		

**DOT Goal: Organization Excellence**

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

Reduce the DOT hiring benchmark of 167 days to 90 days.	2010	2011	2012	2013	2014	2015
Target	134-142	120	100	90	90	*NA
Actual	133	118	100	91		

**\*Currently unavailable.**

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

	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>
Salaries & Expenses	81,564	84,051	83,961	91,782	98,248	102,686	102,481	102,481	97,121	107,000	109,916
Trans., Plng., Res. & Dev. (TPR&D)	20,997	14,850	14,893	13,884	18,300	18,168 <sup>4/</sup>	9,799	9,000	8,529	7,000	8,000
TPR&D Cancellation of Unobligated Balances	0	0	0	0	0	0	0	0	0	-2,750	0
Office of Civil Rights	8,408	8,465	8,527	9,141	9,384	9,667	9,648	9,384	8,893	9,551	9,600
Minority Business Outreach	2,641	2,970	2,970	2,970	3,056	3,074	3,068	3,068	2,908	3,088	3,099
Minority Business Resource Center	522	891	893	893	912	923	921	922	874	925	1,013
Financial Management Capital	0	0	0	0	5,000	5,000	4,990	4,990	4,729	7,000	5,000
Essential Air Service	<sup>1/</sup> [50,000] <sup>2/</sup>	[50,000] <sup>2/</sup>	[50,000] <sup>2/</sup>	[65,000] <sup>3/</sup>	[12,286] <sup>5/</sup>	[50,000] <sup>2/</sup>	[50,000] <sup>2/</sup>	[50,000] <sup>2/</sup>	[97,697] <sup>2/</sup>	[120,640] <sup>2/</sup>	[106,000]
Payments to Air Carriers	51,628	0	59,400	60,000	86,213	150,000	149,700	143,000	135,520	149,000	155,000
Compensation to Air Carriers	0	0	-50,000	-22,000	-848	0	0	0	0	0	0
Compensation for General Aviation Operations	0	16,830	0	0	0	0	0	-3,254	0	0	0
New Headquarters Building	43,355	49,500	49,500	0	0	0	0	0	0	0	0
Safe Transportation of Energy Products Fund	0	0	0	0	0	0	0	0	0	0	40,000
TIGER Grants Program	0	0	0	0	0	0	0	0	0	0	1,250,000
National Infrastructure Investments	0	0	0	0	0	600,000	526,944	500,000	473,847	600,000	0
ARRA - National Surface Transportation System	0	0	0	0	1,500,000	0	0	0	0	0	0
Cyber Security/IT Infrastructure	0	0	0	0	0	0	0	10,000	9,477	4,455	5,000
Immediate Transportation Investment	0	0	0	0	0	0	0	0	0	0	0
Research & Technology	4,213 <sup>6/</sup>	5,716	7,736 <sup>7/</sup>	12,000	12,900	13,007	12,981	15,981	15,145	14,765	14,625
Bureau of Transportation Statistics	30,015	26,730	27,562 <sup>8/</sup>	27,000	27,000	27,000	27,000	25,206	25,948	26,000	29,000
Interagency Permitting Improvement Center	0	0	0	0	0	0	0	0	0	0	8,000

<sup>1/</sup> Unobligated balances of overflight fees

<sup>2/</sup> Overflight fees collected by FAA

<sup>3/</sup> Overflight fees collected by FAA (\$50m) and funds from sale of spectrum (\$15m)

<sup>4/</sup> Includes \$2 million for the Mississippi-Missouri Rivers project pursuant to P.L. 111-117 Section 195.

<sup>5/</sup> A total of \$50 million of overflight fees was available to the EAS program during FY 2009. \$23 million was transferred by FAA as an unobligated balance at the start of FY 2009, and an additional \$27 million of overflight fees was transferred during FY 2009. In addition, \$15 million of collections from the sale of spectrum was transferred from the Department of Commerce into the EAS account in FY 2009. The \$15 million was used to pay back funds that were borrowed in FY 2008, pursuant to P.L. 109-171; however, for the purpose of budgetary presentation, the \$15 million offsets the \$27 million of overflight fees, resulting in a net amount of new budgetary authority of \$12 million.

<sup>6/</sup> Total FY 2005 enacted level for R&D was \$5,967,369; \$4,310,000 reflects the amount transferred to RITA. Previous funding for R&D appeared in the Research and Special Programs budget.

<sup>7/</sup> FY 2007 reflects Continuing Resolution (H.J. Resolution 20) at the FY 2006 budget level of \$5,736,000 and fund to support Air Transportation Statistics program.

<sup>8/</sup> FY 2007 reflects levels under a year long CR. An increase of \$562,000 over amount is due to Revenue Aligned Budget

Authority (RABA) estimates (\$462,000) and a pay increase (\$93,000) provided by H.J. Res 20.

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

	TASC/ Working <u>Capital Fund 1/</u>	Direct <u>Loans</u>	Guaranteed <u>Loans</u>
FY 1996	95,463	15,000	
FY 1997	114,812	15,000	
FY 1998	118,800	15,000	
FY 1999	109,124	13,775	
FY 2000	133,673	13,775	
FY 2001	126,887		13,775
FY 2002	116,023		18,367
FY 2003	118,391		18,367
FY 2004 Actual	98,899		18,367
FY 2005 Actual	94,881		18,367
FY 2006 Actual	99,006		18,367
FY 2007 Actual	118,014		18,367
FY 2008 Actual	128,094		18,367
FY 2009 Actual	128,094		18,367
FY 2010 Actual	147,596		18,367
FY 2011 Actual	147,596		18,367
FY 2012 Actual	172,000		18,367
FY 2013 Actual	171,656		18,367
FY 2014 Enacted	178,000		18,367
FY 2015 Request	-		18,367

Notes:

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

**DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY**

**FY 2015 CONGRESSIONAL JUSTIFICATION**

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**GENERAL NOTES**

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

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**SALARIES AND EXPENSES**

*Immediate Office of the Secretary - (S-1)*

**What Is The Request and What Will We Get For the Funds?**

---

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$2,188	\$2,314	\$2,354	\$40
Travel	\$140	\$202	\$204	\$2
Other Costs	\$153	\$136	\$137	\$1
<b>TOTAL</b>	<b><u><u>\$2,481</u></u></b>	<b><u><u>\$2,652</u></u></b>	<b><u><u>\$2,696</u></u></b>	<b><u><u>\$44</u></u></b>

**STAFFING**

Direct Positions	15	15	15	0
Direct FTEs	11	13	13	0
Reimbursable Positions	7	7	8	1
Reimbursable FTEs	7	6	7.5	1.5

---

The Immediate Office of the Secretary is requesting \$2.696 million and an estimated 13 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for the Immediate Office of the Secretary**

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

---

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

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

---

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

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

---

The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an increase for an estimated 1 percent inflation increase as well as an estimated 13 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

**Explanation of Funding Changes  
for the  
Immediate Office of the Secretary - (S-1)  
(\$000)**

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$2,481</b>	<b>11</b>
<b>FY 2014 Enacted</b>	<b>\$2,652</b>	<b>13</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$6	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$17	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$17	
Inflation	\$3	
<b>FY 2015 Baseline Estimate</b>	<b>\$2,696</b>	<b>13</b>
<u>FY 2015 Program Changes (+/-):</u>	\$0	0
<b>Total, FY 2015 Request</b>	<b>\$2,696</b>	<b>13</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the Deputy Secretary - (S-2)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$865	\$957	\$968	\$10
Travel	\$19	\$35	\$36	\$0
Other Costs	\$48	\$7	\$7	\$0
<b>TOTAL</b>	<b><u>\$933</u></b>	<b><u>\$1,000</u></b>	<b><u>\$1,011</u></b>	<b><u>\$11</u></b>

**STAFFING**

Direct Positions	7	7	7	0
Direct FTEs	4	7	7	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of the Deputy Secretary is requesting \$1.011 million and an estimated 7 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for the Office of the Deputy Secretary**

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

---

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

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

---

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

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

---

The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an increase for an estimated 1 percent inflation increase as well as an estimated 7 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

Explanation of Funding Changes  
for the  
*Office of the Deputy Secretary - (S-2)*  
(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$933</b>	<b>4</b>
<b>FY 2014 Enacted</b>	<b>\$1,000</b>	<b>7</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$2	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$7	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$4	
FERS and FEHB Increases	\$5	
Inflation	\$0	
<b>FY 2015 Baseline Estimate</b>	<b>\$1,011</b>	<b>7</b>
<u>FY 2015 Program Changes (+/-):</u>	\$0	0
<b>Total, FY 2015 Request</b>	<b>\$1,011</b>	<b>7</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**SALARIES AND EXPENSES**

*Office of the Undersecretary of Transportation for Policy - (S-3)*

**What Is The Request and What Will We Get For the Funds?**

---

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$8,537	\$9,456	\$9,623	\$167
Travel and Transportation	\$137	\$134	\$136	\$1
Other Costs	\$905	\$680	\$658	-\$22
<b>TOTAL</b>	<b><u>\$9,578</u></b>	<b><u>\$10,271</u></b>	<b><u>\$10,417</u></b>	<b><u>\$146</u></b>

**STAFFING**

Direct Positions <u>1/</u>	89	89	89	0
Direct FTEs <u>1/</u>	70	81	81	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

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The Office of the Under Secretary for Policy is requesting \$10.417 million and an estimated 77 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

1/ Includes SCASDP

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

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

---

The Under Secretary of Transportation for Policy serves as a principal policy advisor to the Secretary and provides leadership in the development of policies for the Department, generating proposals and the strategic plan, and providing advice regarding legislative and regulatory initiatives across all modes of transportation. By statute, the Under Secretary is third in the Department's order of succession. The Under Secretary collaborates with the Assistant Secretary for Budget and Programs to ensure coordination between the Department's budget development and policy development functions. The Under Secretary oversees the Assistant Secretary for Aviation and International Affairs and the Assistant Secretary for Transportation Policy, coordinating transportation policy development with the goal of making the Nation's transportation resources function as an integrated national system. The work of each of the offices within the Office of the Under Secretary of Transportation for Policy supports the Department's strategic goals. Four offices primarily address the **Economic Competitiveness** strategic goal (Offices of the Chief Economist; Aviation Analysis; International Transportation & Trade; International Aviation); one office addresses the **Safety, Quality of Life in Communities** and **Environmental Sustainability** strategic goals, (Office of Policy Development, Strategic Planning and Performance); and one office addresses **Organizational Excellence** and **Economic Competitiveness** strategic goals (Office of Policy Deployment, Program Delivery and Innovation).

The **Office of the Chief Economist** examines transportation policy issues from an economic perspective, conducts analyses of the economic effects of transportation policies, and designs more economically efficient policies. These analyses focus on the economic impact of transportation investments, strategies for using transportation infrastructure more efficiently, ways of increasing the economic efficiency of federal transportation programs, and the costs and benefits of transportation rulemakings. The Office of the Chief Economist also develops the Department's standards and guidance on key parameters such as the Value of Time and the Value of Statistical Life.

The **Office of Policy Development, Strategic Planning and Performance** manages long-term research, analysis and initiatives on issues including performance management, transportation planning, project delivery, safety, energy, environment, accessibility and livability, among others. Also, this office serves as the lead office on the development and implementation of the Departmental Strategic Plan.

The **Office of Policy Deployment, Program Delivery and Innovation** focuses on the implementation of priority initiatives through Departmental actions, including regulation, legislative proposals, budget proposals and other guidance. It also provides proactive legislative analysis. This office supports the Departmental initiatives on freight,

innovative finance, competitive grant programs (including National Infrastructure Investments), and technology.

The **Office of Aviation Analysis (OAA)** serves as an independent source of analytical input into the Department's aviation and international affairs policy making function; exercises the Department's economic oversight of the domestic and international aviation industries; ensures the initial and continuing economic fitness of U.S. carriers; operates the Essential Air Service (EAS) program to ensure that eligible small and rural communities are connected to the U.S. transportation system; oversees grants to small communities to assist them in receiving sufficient air carrier services; and establishes Alaskan mail rates as required by law. The OAA analyzes and supports the Department's decision makers on major airline issues, including: airline mergers and acquisitions, domestic and international code-share alliances, immunized international alliances between U.S. and foreign carriers, airline distribution practices, airline strike and bankruptcy issues, and airline service at rural communities.

The **Office of International Aviation (OIA)** develops, coordinates, and executes Departmental international aviation transportation policy. Specifically, this includes negotiating liberalized bilateral and multilateral aviation agreements to provide increased commercial opportunities for U.S. airlines and better service at lower fares for consumers. It also includes awarding regulatory authority to airlines, whether for scheduled or charter operations, own-aircraft or codeshare, so that, consistent with Department policies and regulations, they can use the opportunities available and enhance service to the public, thereby contributing to U.S. economic growth. The OIA systematically maintains contact with the U.S. aviation community to determine liberalization priorities and develop new initiatives to enhance the usability of aviation rights. The office also engages in ongoing monitoring of all U.S. international aviation relationships to ensure that U.S. rights are honored and that where U.S. carriers suffer foreign discriminatory or unfair practices, appropriate diplomatic and/or regulatory steps can be taken to achieve redress.

The **Office of International Transportation and Trade (OITT)** provides Departmental leadership, direction, and coordination on international surface and inter-modal transportation and trade policies and programs, including trade facilitation, technical assistance and cooperation programs, trade promotion and advocacy, multimodal transportation issues, and international diplomatic and protocol activities. OITT also leads and coordinates Departmental participation in global transportation and trade organizations. The office's international and security activities program supports the U.S. Government's efforts in Afghanistan and Iraq. OITT develops DOT activities under the President's National Export Initiative (NEI) with plans underway to establish transportation dialogues with priority NEI countries such as Brazil, China and India. OITT also develops DOT positions on transportation-related aspects of free trade agreements that the United States is negotiating, including the Trans-Pacific Partnership Agreement, the Trade in Services Agreement, and the US-EU Transatlantic Trade and Investment Partnership.

The Office of the Under Secretary also houses the **Department's efforts on public engagement** as well as ADA and accessible transportation. The public engagement effort focuses on coordinating outreach to stakeholders and the public with regard to actions being taken; getting feedback from stakeholders and the public on actions under consideration; and getting higher level involvement in Departmental work from stakeholders and, particularly, under-represented populations. With regard to ADA and accessible transportation, the **Secretary's Senior Advisor for Accessible Transportation** coordinates the Department's work on improving access to the transportation system for people with disabilities. This includes serving on the United States Access Board, acting as liaison to the disability community, and working with the Operating Administrations to ensure that policies, guidance, and regulations developed by the Department properly consider and further the goal of universal access.

**FY 2014 Anticipated Program Accomplishments:**

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

Performance Measures:

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

Economic Competitiveness

- Establish or participate in 14 technology transfer and capacity building programs to improve training opportunities for international transport ministries to U.S. transportation technologies. (OST/Aviation and International Affairs).
- Reach 3 or more new bilateral and multilateral aviation agreements to remove market distorting barriers to trade transportation. (OST/Aviation and International Affairs).
- Advance DOT goals with foreign governments through the conduct of at least 75 annual international meetings, and other events at the Secretary, Deputy Secretary, or Under Secretary Level (OST/Aviation and International Affairs). Examples include bilateral and multilateral meetings with foreign ministers of transport, heads of state, ambassadors to the U.S., and other senior-level foreign government and industry officials. Event and forum participation include the U.S.-China Transportation Forum, African Growth and Opportunity Act (AGOA) Forum, China Civil Aviation Development Forum, Asia-Pacific Economic Cooperation Ministerial, and USG Trade Missions in cooperation with other USG agencies.



Safety

- Increase the number of States and localities that adopt roadway design policies that accommodate all road users (i.e., complete streets) from 22 states and one territory in 2010 to 31 in 2015 (OST/Policy).

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

---

The three Aviation and International Offices provide the economic regulation for air carriers; determine their fitness to operate in the United States; and negotiate government-to-government to secure access and routes for U.S. air carriers overseas; and provide leadership and direction on international transportation initiatives. The three Policy Offices develop and recommend policy positions to the Secretary; lead the development of surface transportation reauthorization proposals and the strategic plan; represent the Department's equities in intra- and inter-agency Climate Change and environmental impact discussions; coordinate and oversee the Department's multi-modal programs, including TIGER; and provide the necessary cost-benefit, economic and financial analysis to determine if regulations, rules and projects are meritorious. Additionally, the Office of Policy oversees and coordinates the Department's public engagement and accessible transportation efforts.

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

---

The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase and an estimated 77 FTE and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES**

Explanation of Funding Changes  
for the  
*Office of the Under Secretary of Transportation for Policy - (S-3)*  
(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$9,578</b>	<b>67</b>
<b>FY 2014 Enacted</b>	<b>\$10,271</b>	<b>77</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$23	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$70	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$42	
FERS and FEHB Increases	\$91	
Inflation	\$4	
<b>FY 2015 Baseline Estimate</b>	<b>\$10,417</b>	<b>77</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$0</u>	<u>0</u>
<b>Total, FY 2015 Request</b>	<b>\$10,417</b>	<b>77</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the Executive Secretariat - (S-10)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$1,468	\$1,564	\$1,593	\$29
Travel	\$2	\$2	\$2	\$0
Other Costs	\$41	\$148	\$150	\$2
<b>TOTAL</b>	<b><u>\$1,512</u></b>	<b><u>\$1,714</u></b>	<b><u>\$1,746</u></b>	<b><u>\$32</u></b>

**STAFFING**

Direct Positions	15	15	15	0
Direct FTEs	12	14	14	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Executive Secretariat is requesting \$1.746 million and an estimated 14 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for the Office of the Executive Secretariat**

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

---

The Office of the Executive Secretariat supports the **Organizational Excellence** strategic goal by providing organized staff services to the Secretary and Deputy Secretary, including the editing and vetting of correspondence, congressional reports, travel requests, and other documents for their signatures, committee management oversight, and directives management.

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

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The Office of the Executive Secretariat is necessary to provide staff support for controlling and coordinating the flow of materials to the Secretary and Deputy Secretary in addition to administrative management services to their offices.

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an increase for an estimated 1 percent inflation increase as well as an estimated 14 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

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

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$1,512</b>	<b>12</b>
<b>FY 2014 Enacted</b>	<b>\$1,714</b>	<b>14</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$4	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$12	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$2	
FERS and FEHB Increases	\$13	
Inflation	\$1	
<b>FY 2015 Baseline Estimate</b>	<b>\$1,746</b>	<b>14</b>
<u>FY 2015 Program Changes (+/-):</u>	\$0	0
<b>Total, FY 2015 Request</b>	<b>\$1,746</b>	<b>14</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of Small and Disadvantaged Business Utilization - (S-40)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$1,218	\$1,361	\$1,387	\$25
Travel	\$0	\$0	\$0	\$0
Other Costs	\$79	\$25	\$27	\$2
<b>TOTAL</b>	<b><u>\$1,297</u></b>	<b><u>\$1,386</u></b>	<b><u>\$1,414</u></b>	<b><u>\$28</u></b>

**STAFFING**

Direct Positions	9	9	9	0
Direct FTEs	8	9	9	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Small and Disadvantaged Business Utilization is requesting \$1.414 million and an estimated 9 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

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

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

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

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

OSDBU chairs the Disadvantaged Business Enterprise (DBE) Task Force for DOT, which is comprised of the Secretary of Transportation, the Deputy Secretary of Transportation, the modal administrators from the Federal Aviation Administration, Federal Highway Administration, Federal Railroad Administration, and Federal Transit Administration, and the heads of the Office of General Counsel, Office of Civil Rights, Office of Government Affairs, Office of the Assistant Secretary for Transportation Policy, and Office of Public Affairs. This body takes an active role in developing policy, training, and resource allocation for the DBE program.

OSDBU is also part of the Executive Committee of the White House Interagency Task Force on Federal Contracting Opportunities for Small Businesses. The OSDBU Director co-chairs the working group entitled, "Enabling Small Business Contracting through Training, Outreach, Bonding, and Access to Capital." The DBE Coordinator hired in FY 2012 is OSDBU's main point of contact for all aspects of the DBE Program and advises the OSDBU Director on DBE issues.

OSDBU conducts a series of Small Business Days across the country to highlight DOT opportunities for small businesses to gain access to capital, and how to do business with the government. These events connect small businesses with federal, state, and local government contracting opportunities, while educating small business owners on the resources available to help their business grow.

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

**Anticipated FY2014 Accomplishments:**

In FY 2104, OSDBU will continue to focus on effective outreach activities to broaden the small and disadvantaged business participation in DOT procurements and DOT-funded contracts and grants for transportation-related projects across the nation. Specific activities will include hosting 11 Small Business Days and 4 Small Business Vendor Days.

**Performance Measures:**

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

**Economic Competitiveness**

- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to small disadvantaged businesses. The FY 2014 target is 15%.
- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to women-owned businesses. The FY 2014 target is 6%.

To meet these goals, DOT makes significant effort to engage the Small and Disadvantaged Business and Woman-Owned small business community by working closely with DOT prime contractors, program, and procurement officials to ensure maximum practicable opportunities for small businesses to participate in DOT contracts and subcontracts. Efforts also include providing management oversight and serving as a liaison with the Small Business Administration in administering the various programs implemented through the DOT procurement process. Outreach efforts are with small business organizations and trade associations with an emphasis on small, women owned and disadvantaged small businesses to ensure the maximum practical opportunity for small businesses.

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

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

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



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

The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase and an estimated 9 FTE and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

Explanation of Funding Changes  
for the  
*Office of Small and Disadvantaged Business Utilization - (S-40)*  
(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$1,297</b>	<b>8</b>
<b>FY 2014 Enacted</b>	<b>\$1,386</b>	<b>9</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$3	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$10	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$1	
FERS and FEHB Increases	\$13	
Inflation	\$0	
<b>FY 2015 Baseline Estimate</b>	<b>\$1,414</b>	<b>9</b>
<u>FY 2015 Program Changes (+/-): 1/</u>	\$0	0
<b>Total, FY 2015 Request</b>	<b>\$1,414</b>	<b>9</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of Intelligence, Security and Emergency Response - (S-60)***What Is The Request and What Will We Get For the Funds?**

(\$000)

<u>ITEM</u>	<u>FY 2013 Actual</u>	<u>FY 2014 Enacted</u>	<u>FY 2015 Request</u>	<u>Difference from FY 2014 Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$8,242	\$8,335	\$8,522	\$187
Travel	\$372	\$334	\$338	\$3
Other Costs	\$1,600	\$2,109	\$2,196	\$87
<b>TOTAL</b>	<b><u>\$10,214</u></b>	<b><u>\$10,778</u></b>	<b><u>\$11,055</u></b>	<b><u>\$277</u></b>

**STAFFING**

Direct Positions	53	53	53	0
Direct FTEs	51	51	51	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Intelligence, Security, and Emergency Response is requesting \$11.055 million and an estimated 51 FTEs in FY 2015 to accomplish the mission as outlined on the pages that follow.

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

### What Is This Program/Activity?

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

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

OISER is comprised of five primary areas of responsibility: Intelligence, Security Policy, Preparedness, Operations, and Protective Services. Currently, the office has assigned one staff member as the liaison officer to U.S. Northern Command (NORAD/NORTHCOM) at Peterson Air Force Base, Colorado. Additionally, an Intelligence Staff officer is assigned to the National Counterterrorism Center to coordinate the flow of national intelligence.

**Intelligence Division.** The Intelligence Division provides the Secretary and other DOT principals with all-source, finished transportation-related intelligence. It accomplishes its mission through analysis, reporting, and inter-agency coordination with the Intelligence Community and other U.S. Government organizations. The intelligence addresses critical developments and longer-range regional/worldwide international terrorism trends; and covers global and international topics in aviation, trade, transportation markets, trade agreements and a range of other international cooperation topics; particularly as they affect U.S. security and international efforts. The Intelligence Division has increasingly focused on cyber intelligence analysis given the numerous threats to U.S. Government networks. The Intelligence Division is also developing an Insider Threat Program, as mandated by the President's November 2012 Insider Threat Policy memorandum and Minimum Standards that all departments and agencies within the Federal Government must meet as they start up their Insider Threat Program.

The Intelligence Division represents DOT at National Security Staff Interagency Policy Committees (IPC) such as the Information Sharing and Access IPC and the Federal Partners Forum. In addition, It works in conjunction with the National Counterterrorism Center in identifying DOT components that have Counterterrorism-related programs and projects contributing to the National Counterterrorism Budget.

During FY 2014, the Intelligence Division will accomplish the following:

- Analyze threats to domestic and foreign transportation infrastructure and assets and provide transportation-related intelligence to the Secretary, his principal staff, the administrators and their key staff, and all other DOT consumers of intelligence to ensure key DOT officials are apprised of specific threats to transportation and trends in terrorist tactics and capabilities;
- Represent DOT and its interests on the Information Sharing and Access IPC, the Federal Partners Forum, the National Counterintelligence Working Group, the Federal Bureau of Investigation National Joint Terrorism Task Force, the National Insider Threat Task Force, the National HUMINT Committee, the Senior Stakeholders Steering Committee Forum, and other forums that address information sharing, law enforcement, and intelligence-related topics at the national level;
- Work closely with the Office of Counterintelligence Executive (ONCIX) and the National Insider Threat Task Force (NITTF) to develop an effective and efficient Insider Threat Program for DOT IAW EO 13587;
- Work closely with the Director of National Intelligence Federal Partner Forum Office on a range of topics and utilize the DOT Suspicious Activity Reporting (SAR) database to centrally monitor and manage suspicious activity reported DOT wide.
- Continue to provide Counterintelligence related threat briefings to DOT personnel that travel to overseas locations in an effort to improve their situational awareness in the overseas environment and prevent exploitation of the individual(s) by unfriendly or hostile intelligence organizations;

**Security Policy and Plans Division.** The Security Policy and Plans Division of S-60 supports DOT's interests on security policy issues at the national level, and coordinates DOT representation on various Interagency Policy Committee (IPC) groups as convened by the White House/National Security Staff. Staff members regularly support the DOT's work concerning security policy and inter-agency coordination related to intelligence, security and all aspects of all-hazards preparedness. DOT participates in many IPCs with a broad range and scope of activities. The Principals' and Deputy Committees are supported by a network of IPCs, staffed at the Assistant Secretary level, whose activities build upon work by over 40 Sub-IPCs that DOT participates on. Working Groups also undertake specific issues or projects (e.g. Guidance for Federal Workers during a Pandemic). Coordination of DOT participation in these groups is done by the this Division. These activities are in direct support of various Presidential Policy Directives (PPDs), Executive Orders (EOs), National Strategies and Frameworks, and Congressional mandates. To support the Secretary and Deputy Secretary, the Security Policy staff produces or coordinates in-depth studies, reports, analysis, and Departmental operational plans.

This division also coordinates DOT policy work with the Department of Homeland Security (DHS), Department of Defense, and Department of State, and the Department of Health and Human Services (HHS). This allows the Government to leverage the programs and funding for one program with the needs of others. For example, Presidential Policy Directive 8 (PPD-8), signed March 30, 2011, "National Preparedness," directs the establishment of

several inter-linked National Preparedness Frameworks and Interagency Operational Plans, including Prevention, Protection, Mitigation, Response, and Recovery.

During FY 2014, the Security Policy and Plans Division will accomplish the following:

- Conduct research and write policy studies supporting the Secretary and Deputy in their representation on the Principals and Deputies Committees at the White House;
- Analyze security policy related to transportation infrastructure and assets and make policy recommendations to key Departmental officials;
- Represent DOT and its interests in setting transportation security policy in Federal, state, local, tribal, and international arenas;
- Participate in interagency and White House led efforts to develop and implement National security policy related to issues such as critical infrastructure, biosurveillance, pandemic influenza, national preparedness, global supply chain security and cybersecurity;
- Serve as the Departmental lead as the co-Sector Specific Agency for Transportation. In this role DOT works alongside DHS to provide identification and prioritization of critical infrastructure, vulnerability assessments, analysis, and collaboration through a public-private partnership model to address physical and cyber critical infrastructure in an all hazards environment;
- Develop Departmental policy for the Sensitive Security Information program; and
- When needed, assist with Civil Reserve Fleet allocations and prioritizations under the Defense Production Act (DPA)

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

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

During FY 2014, the National Security Program will accomplish the following:

- Establish a "OneDOT" alternate site for both Departmental and Operating Administration senior leadership to replace the existing OST site.
- Maintain operational Continuity of Operations sites and continue improvements to facility configuration and communications/IT capabilities – incorporating all requirements of National Communications Systems Directive (NCSA 3-10);

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

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

During FY 2014, the International Civil Transportation Emergency Preparedness Program will accomplish the following:

- Represent the US in NATO transportation related civil emergency planning to support the NATO Military and resolve issues and planning matters related to civil aviation resources, acquisition, and deployment to support NATO operations.
- Represent the U.S. and DOT in the NATO Civil Emergency Planning Group and in up to eight NATO planning and training events for use of civilian aviation resources, including civil aviation experts, during NATO military operations, and support to other nations during disasters;
- Provide participating expert consultation, guidance and input in the development and conduct of training and training support programs for the NATO civil aviation experts and national planners, which include web-based training programs that will have an application format for the entire cadre of NATO civil experts from all sectors;
- Continue the work of the Safety and Disaster Assistance Working Group of the US/China Transportation forum by conducting a Steering Committee meeting and a multi-modal workshop with the Chinese Ministry of Transport to better prepare both nations to meet their disaster preparedness needs, and participating in Trade Missions to provide US companies the opportunity to sell their goods and services in support of China's transportation disaster preparedness;
- Lead continued work with the Asian Pacific Economic Cooperation (APEC) on Global Supply Chain Resilience;

- Continue work in support of and coordination with the US Department of State, US Agency for International Development, and the US Institute for Peace; and
  - Represent DOT at international forums on transportation related civil emergency preparedness, response and recovery and training exercises, and provide advice in support of military operations, if appropriate.
3. **The Training and Exercise Program** is responsible for coordinating the DOT's participation in National, regional, and local emergency preparedness/response exercises. The coordination ensures a high state of readiness through periodic inter- and intra-agency training and exercises. It also institutionalizes the emergency management capability in DOT, helps create an expert cadre of transportation emergency management professionals, establishes a system to adopt lessons learned, and ensures quality and performance of the emergency management training and exercise program.

During FY 2014, the Training and Exercise Program will accomplish the following:

- Conduct exercises mandated by the National Exercise Program including one full-scale exercise on an all hazard response scenario in the third quarter of FY 2013), an annual Continuity of Operations exercise (Eagle Horizon 2014 in the third quarter of FY 2014), up to four senior level (Cabinet) tabletop exercises (one per quarter), and two Department-wide senior leader exercises;
- Conduct National Response Framework (NRF) and National Incident Management System refresher training for DOT staff;
- Support Regional Emergency Support Function–1 (ESF–1) Transportation training programs and provide exercise support for other Office of Intelligence, Security, and Emergency Response training, as required;
- Support exercise development and execution for the Operating Administration's internal exercises and preparedness seminars;
- Participate in support of other Federal-level interagency exercises, as necessary.

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

1. **The Crisis Management Center** is an around-the-clock operations center that monitors the status of the transportation system at all times, including transportation related events and incidents across the US and overseas that have the potential to impact the domestic transportation system. The CMC also provides real-time reports to DOT leadership, the Operating Administrations and the Federal Interagency to ensure prompt notification of and response to significant disruptions, incidents, or threats that may affect the transportation system. Along with monitoring the transportation system, the CMC supports the Secretary and the DOT leadership by providing around-the-clock communications support at all levels of classification. This includes teleconferencing, video teleconferencing, fax, and voice communications systems. The CMC also provides incident information to DOT, for unclassified and classified information. The CMC conducts daily operations as well as conducting training and exercises to prepare for emergencies. The CMC houses and supports DOT's Emergency Response Team during



emergencies, both natural and man-made. During these surge operations, the CMC provides all required capabilities, communications, administrative support, etc., to conduct 24X7 emergency operations. The CMC also trains to prepare to operate at alternate locations should any incident cause the CMC primary facility not to function properly.

During FY 2014, the CMC will accomplish the following:

- Provide effective 24X7 monitoring of the National and International transportation systems by maintaining a high level of training in the use of the CMC alternate operating facilities and improve preparedness by training and conducting drills, including the Federal Aviation Administration (FAA Washington Operation Center Complex, the FAA Atlanta Regional Operation Center, operational communications testing in support of Federal Continuity Programs per National Communications System Directive 3-10 and U.S; NORAD/NORTHCOM and other interagency partners; Review, update and rewrite all SOPs and Job Aids utilizing plain language (clear text) and information mapping;
  - Provide ongoing secure and other vital communications links for the Secretary and other Senior Officials;
  - Continue development and refining the use of IT tools into the watch practice for administrative and emergency response management. Tools include a web content management and document management system (SharePoint), an automated contact and distribution management system (Forefront Identity Manager), a crisis information management system WebEOC, a software for visualizing, managing, creating, and analyzing geographic data (ArcGIS), the CSX Railroad Network Operation Workstation that monitors the CSX railroad system (CSX NOW), and a storm tracking and decision assistance computer software tool (HURREVAC).
  - Participate in the Federal Interagency Operations Centers Directors Working Group, the National Capitol Region Joint Federal Committee, the Federal Web Emergency Operations Center (WebEOC) crisis information management system community meetings, U.S. NORAD/NORTHCOM Joint Interagency Coordination Group meetings, the DHS Special Event Working Group meetings, and bi-monthly meetings with the DOT Operating Administration Emergency Coordinators;
2. **The National Response Program** is responsible for coordinating DOT's response to all hazards, emergencies and incidents. This includes managing DOT's responsibilities under the National Response Program where DOT is the coordinating and primary agency for Emergency Support Function 1 – Transportation (ESF-1). ESF-1 is designed to provide transportation support to assist in domestic incident management, including: reporting status of damage to transportation infrastructure as a result of the incident; identifying temporary alternative transportation solutions that can be implemented by others when systems or infrastructure are damaged, unavailable, or overwhelmed; coordinating the restoration and recovery of the transportation infrastructure; performing activities conducted under the direct authority of DOT elements such as air, maritime, surface, rail, and pipelines; and coordinating and supporting

prevention/preparedness/mitigation among transportation infrastructure stakeholders at the state and local levels.

Additionally, the NRP is responsible for the management of the field components: Regional Emergency Transportation Coordinators (RETCOs), Regional Emergency Transportation Representatives (RETREPs), and Regional Emergency Transportation Cadre (RET-C) teams. These teams, which are based in ten regions across the country, coordinate Federal and State disaster planning, conduct training and exercises, and deploy to key regional, state, and local field offices during emergencies to provide critical emergency transportation services.

During FY 2014, the National Response Program will accomplish the following:

- Coordinate DOT's preparedness, response and recovery activities in all hazards crises;
- Carry out ESF-1 response and recovery operations and serve as a supporting agency to other ESFs as identified in the NRP;
- Participate with planning, preparedness, operations, exercises, training and outreach activities related to disaster response, to include annual training for NRP personnel, partner agencies, and leadership, conduct Regional OneDOT meetings and after action reviews, including the development and implementation of corrective action plans;
- Assist in the development of national policy and procedures related to transportation elements of emergency management; and
- Assist Federal, state, local, tribal, and territorial partners through application of our technical expertise in the preparedness, response, and recovery activities in all hazards crises.

**Protective Services Division** provides the Secretary highly-trained and experienced Special Agents who are deputized U.S. Marshals. The agents provide protection for the Secretary and conduct security advance work in the US and overseas. Equipment and supply needs for the protection detail are assessed annually to ensure agents are fully equipped and have the required resources necessary to successfully operate in the US and overseas.

The Special Agents provide personal protection for the Secretary of Transportation throughout the workday and wherever the Secretary travels, whether in the Washington, D.C. metropolitan area, to other places in the US or to foreign countries. This protection is crucial to the Secretary's security and safety, especially in a time of increased terrorist threats or activity. These are highly trained professionals in defensive driving and protection techniques and methods.

During FY 2014, the Protective Services Division will accomplish the following:

- Provide protection for the Secretary; and
- Conduct security advance work for all official and public events and any planned travel by the Secretary in the US or overseas.

**NORAD/NORTHCOM (N/NC) Liaison Officer.** The liaison officer to N/NC coordinates with staff and management officials in DOT, N/NC, and other Federal and State agencies and other organizations. This coordination is in order to obtain and exchange information, to influence their actions and views, to obtain the cooperation of other organizations in accomplishing program objectives, and to present and defend DOT positions. This requires communication of the Operating Administrations strategies, goals, objectives, policies, and procedures to N/NC and detailing the potential impact of N/NC draft policies and programs on DOT activities.

During FY 2014, the NORAD/NORTHCOM Liaison Officer will accomplish the following:

- Provide DOT context to the N/NC Commander’s Decision Making Process.
- Coordinate with senior military leadership in N/NC on all transportation matters to include policy issues, operational plans, training, and exercises for OST and DOT Operating Administrations.
- Assist N/NC in fulfilling their Defense Support to Civil Authorities (DSCA) mission and clarify the impact of proposed N/NC actions on the DOT mission and the nation’s transportation infrastructure.
- Represent DOT interests in day to day operations and significant events/incidents; communicating DOT equities while supporting the N/NC mission.

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

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The responsibilities of the Office of Intelligence, Security and Emergency Response are derived from EOs, Statutes, and policies. EO 12656, “Assignment of Emergency Preparedness Responsibilities,” issued on November 18, 1988, requires agencies to design preparedness measures to permit a rapid and effective transition from routine to emergency operations. This includes development of a system of emergency actions that define alternatives, processes, and issues to be considered during various stages of national security emergencies and identification of actions that could be taken in the early stages of a national security emergency or a pending emergency to mitigate the impact or reduce significantly the lead times associated with full emergency action implementation. Section 101, Title 49 USC requires the DOT to provide “coordinated and effective administration of the transportation programs of the U.S. Government and to “achieve transportation objective considering the needs of the public...and the national defense.” Section 301(1) of Title 49 USC states that the Secretary of Transportation also must “under the direction of the President...exercise leadership in transportation matters, including those matters affecting national defense and those matters involving national or regional emergencies.”

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

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

**Security Policy and Plans Division.** Coordination of Security Policy with DHS is driven by statute and Presidential direction that developed primarily in response to the events of 9/11. The Act Implementing the Recommendations of the 9/11 Commission set 78 tasks involving DOT, many in cooperation or coordination with DHS. Similarly, Section 4001 of the Intelligence Reform and Terrorism Act of 2004 requires that the Secretary of DHS “work jointly with the Secretary of Transportation in developing, revising, and updating” a National Strategy for Transportation Security and transportation modal security plans. Another set of requirements was established by Presidential Policy Directive 21, “Critical Infrastructure Security and Resilience,” February 12, 2013 which places DOT as a Sector Specific Agency over the transportation sector. In this role DOT works alongside DHS to provide identification and prioritization of critical infrastructure, vulnerability assessments, analysis, and collaboration through a public-private partnership model to address physical and cyber critical infrastructure in an all hazards environment. This requirement applies across all modes of transportation and necessitates intermodal coordination. DOT also is actively engaged in transportation issues related to implementation of PPD-8, which is aimed at strengthening the security and resilience of the U.S. through systematic planning for, carrying out, and measuring all-hazards preparedness. DOT continues to be extensively involved in policy related to Departmental preparedness for roles in response to pandemic influenza, biosurveillance and other public health matters.

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

1. **National Security Program.** The origins of National Security programs can be traced back to the National Security Act of 1947 and have been updated as the threats and requirements have changed. The National Continuity Programs Office administers these programs for DOT to comply with requirements set forth in the various laws, regulations and Executive Orders and to assure that the eight National

Essential Functions and the three DOT Primary Essential Functions can continue under all circumstances.

2. **International Civil Transportation Emergency Preparedness Program.**

Responsibility for International Civil Transportation Emergency Preparedness is contained in EO 13603, which further delineated these responsibilities to include the tasking to develop “national policies, programs, procedures and systems to meet essential civil and military transportation needs...provide direction to all modes of civil transportation in national security emergencies,...and represent the U.S. in transportation-related international (including NATO and allied) civil emergency preparedness planning. The Secretary of Transportation has delegated these responsibilities to the Director of the Office of Intelligence, Security and Emergency Response. The Stabilization and Reconstruction Activities are highlighted in NSPD 44, and the Disaster Assistance Working Group comes under the U.S./China Transportation Forum, officially established by the DOT and the China Ministry of Transport in 2007.

3. **Training and Exercise Program.** The Training and Exercise Program is responsible for coordinating DOT’s participation in National, regional, and local emergency preparedness/response exercises. These exercises are required by a number of EOs and other Directives. For example, EO 12656, “Assignment of Emergency Preparedness Responsibilities,” November 18, 1988, requires the head of each Federal Agency to develop and conduct training and education programs that incorporate emergency preparedness and civil defense information necessary to ensure an effective national response. Following the events of 9/11, HSPD-8, “National Preparedness,” December 17, 2003, (since revised as PPD-8, “National Preparedness”, March 30, 2011) developed the National Exercise Program, which requires Departments to support strategy and policy exercises through simulation or staff participation as well as maintaining a corrective action program to generate input for and track corrective action issues and report on the effectiveness and accomplishments of training programs. Similarly, NSPD-51 /HSPD-20, “National Continuity Policy, May 9, 2007, requires testing and exercises to ensure survival of a constitutional form of government and the continuity of essential Federal functions. Further, HSPD-5, “Management of Domestic Incidents”, February 28, 2003, established minimum training and exercise requirements and minimum training standards and established a certification process based on required training and requires rigorous requirements for continuous improvement for testing and conducting exercises.

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

1. **Crisis Management Center.** The CMC is a 24X7 operations center that ensures the Secretary of Transportation is able to meet his responsibilities as defined by EO 12656, “Assignment of Emergency Preparedness Responsibilities,” November 18, 1988. This EO requires agencies to design preparedness measures to permit a rapid

and effective transition from routine to emergency operations. This includes development of a system of emergency actions that define alternatives, processes and issues to be considered during various stages of national security emergencies and identification of actions that could be taken in the early stages of a national security emergency or a pending emergency to mitigate the impact or reduce significantly the lead times associated with full emergency action implementation.

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

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

**NORAD/NORTHCOM (N/NC) Liaison Officer.** N/NC civil support mission includes domestic disaster relief operations which may arise from incidents including, but not limited to, fires, hurricanes, floods, earthquakes, and management of consequences of a terrorist incident employing a weapon of mass destruction. N/NC provides assistance to a Primary Federal Agency when requested by that Agency and as directed by DOD.

The N/NC Interagency Directorate's mission is to facilitate the integration and synchronization of interagency activities to ensure mutual understanding, unity of effort, and full spectrum support to and from N/NC during emergencies. In addition to the Department of Transportation, Federal agencies with personnel currently assigned to N/NC include the Department of Homeland Security, the Federal Emergency Management Agency, Department of State, Department of Health and Human Services, and the Transportation Security Administration.

**Program Benefits**

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

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

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase as well as an

estimated 51 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class by Office exhibit.



**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES**

**Explanation of Funding Changes  
for the  
Office of Intelligence, Security and Emergency Response - (S-60)**  
(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$10,214</b>	<b>51</b>
<b>FY 2014 Enacted</b>	<b>\$10,778</b>	<b>51</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$21	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$62	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$63	
FERS and FEHB Increases	\$110	
Inflation	\$22	
<b>FY 2015 Baseline Estimate</b>	<b>\$11,055</b>	<b>51</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$0</u>	<u>0</u>
<b>Total, FY 2015 Request</b>	<b>\$11,055</b>	<b>51</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the Chief Information Officer - (S-80)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$5,464	\$5,524	\$6,158	\$634
Travel	\$15	\$15	\$15	\$0
Other Costs	\$8,725	\$10,156	\$9,933	-\$223
<b>TOTAL</b>	<b>\$14,204</b>	<b>\$15,695</b>	<b>\$16,106</b>	<b>\$411</b>

**STAFFING**

Direct Positions	35	35	41	6
Direct FTEs	31	33	36	3
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of the Chief Information Officer is requesting \$16.106 million and an estimated 36 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

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

### What Is This Program/Activity?

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The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT), cyber security, privacy, and records management advisor to the Secretary. The Office of the Chief Information Officer (OCIO) supports the **Organizational Excellence** Strategic Goal by providing leadership on all matters associated with the Department's \$3.5 billion IT portfolio. This includes information assurance, privacy, records management, investment management, and improvements in the delivery of services to the American taxpayer through electronic government initiatives. The OCIO includes an OST CIO and associated staff responsible for ensuring that the Office of the Secretary has IT operational and technical support.

The OCIO administers three sources of funding in performing its various roles in support of DOT. Each funding stream is maintained and reported independently. The three funding sources track to the CIO's areas of responsibility: the annually appropriated Salaries and Expenses (S&E) for carrying out IT security and policy (which includes monitoring, reporting and guidance); the Working Capital Fund (WCF) cost reimbursements for providing Department-wide core IT operational support functions and enterprise services (email services, help desk support, etc.); and Cyber Security Initiatives for improvements to the DOT Wide Area Network (WAN) and a focused approach to implementing security-related improvements.

#### The S&E appropriation funds the following:

IT Governance and Alignment. The DOT OCIO ensures updated processes and policies are implemented while managing risks and adopting a systematic and professional approach to the management of IT services at the enterprise level. Specific IT alignment and value services include:

- **Enterprise Architecture** -- The OCIO continues to evolve the technology processes to be more closely aligned to the DOT Segment Architecture.
- **Capital Investment Planning** -- The OCIO manages a Capital Planning and Investment Control (CPIC) program to track the DOT IT portfolio using program performance metrics.
- **Enterprise-Level Records Management Program** -- The OCIO works to outline requirements for the enterprise-wide Records Management Program based on the Managing Government Records Directive.

The OCIO is responsible for managing the Investment Review Board (IRB) process. The governance structure includes the following components and focus areas:

- The **Investment Review Board (IRB)** will be the highest level of reporting for the updated governance structure, with a focus on Department-wide portfolio concerns and major investments.
- The **Investment Working Group** will oversee analysis, research, and the provision of specific recommendations, reports, and alternatives to the IRB.
- The **CIO Council** will oversee enterprise hardware and software, data centers, network

transport, IT security, and end-user access capabilities for DOT systems. This also includes enterprise collaboration tools such as SharePoint and other common workforce productivity capabilities.

- The **Enterprise Architecture (EA) Board** will oversee the DOT EA program, which includes aligning DOT IT investments to the DOT Strategic Plan and Annual Performance Plan, identifying opportunities for DOT to reduce IT duplication, proposing new shared services opportunities, and general governance of changes to the DOT EA.

Modernized IT Environment. OCIO develops policies and plans to assist with the implementation of a Modernized IT Environment strategy that will proactively address current and future requirements. Specific areas of focus include:

- **Updated Transparency and Public Engagement** – OCIO continues to create strategies and guidance for increased transparency in IT solutions based on customer needs and research in support of the Open Government Directive. Activities include best practices, toolkits, and technology roadmaps.
- **Web Strategy** – The OCIO is working to enhance the governance structure so that it is focused on ensuring DOT Web activities align to the strategic goals of the Department.

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

The CIO’s office is responsible for reporting and tracking compliance with the Cross-Agency Performance (CAP) goals, which include:

- Mandatory Personal Identification Verification (PIV) Card Usage
- Continuous Monitoring
- Trusted Internet Connection (TIC)

**Anticipated FY 2014 Accomplishments:**

In FY 2014, OCIO will strengthen collaboration within DOT and the IT Governance structure. OCIO will continue to build upon the strategies in providing IT and related services to match customer demands and advancements in technology. Work to enhance the overall technology strategy and policy at DOT will be focused in three areas: Engagement with Departmental CFO and SPE, Evolving Governance and Departmental IRB, and Information Assurance and Privacy. These enhancements are described below by focus area.

Engagement with the Departmental CFO and SPE. Historically, the IT budget formulation process at DOT has been performed as an outcome of the overall DOT budget formulation process. As a result, DOT has missed opportunities to provide specific, actionable recommendations to its component Operating Administrations (OAs) for reducing IT

expenditures. As was done in the FY2015 budget formulation cycle, OCIO will work with the Office of the Chief Financial Officer (CFO) and the Department Investment Review Board (IRB) to incorporate common focus areas directly into FY2016 budget formulation guidance.

Additionally, the Office of the Senior Procurement Executive (OSPE) established a DOT Strategic Sourcing Executive Steering Committee (SSESC) to facilitate a collaborative and structured strategic sourcing process to critically analyze current spending and develop future buying strategies that are more effective and efficient. The SSESC is composed of representatives from each of the OAs who serve as voting members. The SSESC is charged with designating commodities for study and making decisions on the sourcing of those specific commodities. The SSESC uses a collaborative and structured process of critically analyzing current spending to develop future buying strategies that are more effective and efficient. An increased collaboration will provide the OCIO with information to help the OSPE to identify key areas of commodity IT that would benefit from strategic sourcing analysis.

Evolving Governance and Departmental IRB. The OCIO will continue to reform IT management within the Department by implementing an effective, efficient, outcome-oriented governance structure for IT infrastructure, business support and mission systems. The OCIO is working to create an integrated line of sight at the Department level while guiding Operating Administration IT investment decisions and ensuring that they are aligned with the Department's strategies.

Information Assurance and Privacy. The CIO's office will make progress in planning and tracking compliance with CAP goals, showing improvement in each element of DOT's current performance.

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

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There continues to be a steady increase in the number, timing, depth, and complexity of IT infrastructure and services. In response to the ever-changing environment, OCIO must maintain an agile, reliable and scalable IT environment and business services across DOT. Not doing this in a planned manner may mean ad hoc emergencies, disruptions and costly remediation later. The OCIO has identified a strategy to ensure project management is planned, processed and delivered in a standardized manner across the Department. Processes and procedures must be developed to reduce inefficiency and ineffectiveness in performance. The OCIO is also working to develop business processes to improve compliance with Federal mandates.

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

In FY 2015, the OCIO will focus on expanding the requirements in five areas:

- **Enterprise Architecture** – The OCIO is making substantive changes to the enterprise architecture (EA) program in conjunction with ongoing enhancements in the areas of Capital Planning & Investment Control (CPIC), and IT Governance. This renewed focus is intended to provide compliance with the EA direction OMB is proposing and to address the issues identified in the OIG draft report.
- **IT Governance** – With the strategy to evolve governance and strengthen the IRB process, the OCIO will work to institute policies and memorandum that assist in standardizing the criteria for tracking IT investments.
- **Data Policy** – A major focus of the Digital Government Strategy is to standardize the way DOT collects and releases data. Agencies are charged with presenting an information-centric approach to digital services to achieve interoperability and openness, and makes data assets freely available for use within agencies, between agencies, in the private sector, or by citizens. DOT contains a uniquely disparate dataset, focusing on various modes of transportation, utilizing a variety of legacy systems. Reporting is not currently standardized and expertise is required to architect a solution that will apply to the Department. The OCIO will review current data sets, analyze current practices to find commonalities, and develop a procedure to ensure all data is available in a structured format, easily consumable by the public and consumers.
- **SharePoint** – The DOT OCIO is working to create a governance model to support the enterprise-level SharePoint instance. Through recent migration and consolidation of various modal solutions, an effective governance strategy is required to ensure a consistently managed instance moving forward.
- **Cyber Security** - The DOT CISO will perform a review of security practices across the Department to identify weaknesses and complete a gap analysis. Findings will be used to implement a Cyber Risk Management program that continually adapts to changing threats, vulnerabilities, and assets; enhance the Departmental Cyber Security Incident Response Program to provide interdependent, enterprise-wide coordination, collaboration, information-sharing and response; and strengthen our security posture by focusing efforts on data and information entering and exiting our networks.

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

The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an increase for an estimated 1 percent inflation increase as well as an estimated 36 FTEs and associated costs. In addition, minor adjustments have been made in the distribution of funding resources between object classes from FY 2014 to FY 2015 to more accurately reflect the usage of funds in FY 2015.

The request redirects existing contract resources to fund the following three (3) additional positions (1.5 FTEs) to focus on Cyber Security compliance functions:

- Audit Support Specialist (GS-12/13) – Compliance – Conducts audit, liaison and reporting support activities. Provides audit liaison support for external audit, maintains awareness of applicable requirements such as DOT, OMB, and NIST as well as best practices. Also supports regulatory compliance reviews and audit and compliance monitoring activities.
- Security Authorization Specialist (GS-13/14) – Compliance – Provide Security Authorization (previously called C&A) Services coordination and support to the modes. Develop and help enforce a consistent process for the extensive list of processes associated with security authorizations.
- Weakness Remediation Specialist (GS-13) – Compliance – Responsible for security related assessments, tracking and remediation. Also responsible for supporting completion of POA&M activities.

In addition, the request includes a program increase of \$251.5K to fund the following three (3) positions (1.5 FTEs):

- Policy Analyst (GS-14) – Governance – Development and updating of policies, standards, guides and best practices for the Department to ensure security and privacy.
- Cyber Compliance Director (GS-15) – Compliance – Helps assess the applicability and effectiveness of controls based on policies, regulations, standards and technology. Helps determine if all controls across the agency are implemented correctly, operating as intended and producing the desired results. Documents findings and communicates to the appropriate entities within the organization. Helps interface to audits and other assessments (e.g. GAO, FMFIA, OIG) as required.
- Vulnerability Management Specialist (GS-13) – Compliance – Performs activities in support and completion of security assessments. Receives audit/assessment results and generates remediation activities for the system owners.

A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

**Explanation of Funding Changes  
for the  
Office of the Chief Information Officer - (S-80)  
(\$000)**

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$14,204</b>	<b>31</b>
<b>FY 2014 Enacted</b>	<b>\$15,695</b>	<b>33</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$14	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$41	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$3	
FERS and FEHB Increases	\$62	
Inflation	\$40	
<b>FY 2015 Baseline Estimate</b>	<b>\$15,855</b>	<b>33</b>
<u>FY 2015 Program Changes (+/-):</u>	\$252	3
6 positions (3 FTEs) to support the Compliance and Governance functions		
	<b>\$16,106</b>	<b>36</b>



**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of Public Affairs - (A)***What Is The Request and What Will We Get For the Funds?**

(\$000)

<u>ITEM</u>	<u>FY 2013 Actual</u>	<u>FY 2014 Enacted</u>	<u>FY 2015 Request</u>	<u>Difference from FY 2014 Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$1,725	\$1,785	\$1,822	\$37
Travel	\$50	\$51	\$51	\$1
Other Costs	\$139	\$185	\$188	\$3
<b>TOTAL</b>	<b><u>\$1,914</u></b>	<b><u>\$2,020</u></b>	<b><u>\$2,061</u></b>	<b><u>\$41</u></b>

**STAFFING**

Direct Positions	17	17	17	0
Direct FTEs	14	15	15	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Public Affairs is requesting \$2.061 million and an estimated 15 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

## Detailed Justification for the Office of Public Affairs

### What Is This Program/Activity?

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The Director of Public Affairs is the principal advisor to the Secretary and other senior Department officials and the news media on public affairs questions. The Office of Public Affairs prepares news releases and supporting media materials, articles, facts sheets, briefing materials, publications, byline articles for the Secretary and other senior Department officials; oversees internal communications; and maintains a new/social media presence. The Office responds to news media and other inquiries and provides information to the Secretary on opinions and reactions of the public and news media on programs and transportation issues. It arranges news conferences for significant announcements and prepares speeches, statements and talking points for the Secretary and other senior Department officials. The Office provides guidance to and coordinates the activities of the Department's modal public affairs offices. The Office of Public Affairs also works with a contractor to provide department-wide news clips every day.

The Office of Public Affairs supports the **Organizational Excellence** strategic goal by making available to the public information on steps the Department is taking to address the Nation's transportation needs by working to improve transportation safety, assuring the transportation infrastructure is in a state of good repair, promoting transportation investments that bring lasting benefits to the Nation, fostering livable communities and advancing environmentally sustainable transportation policies.

The Office of Public Affairs will continue to focus on the Department's efforts to enhance safety and to upgrade the Nation's transportation infrastructure and will use public announcements, press releases, video, new/social media, internal communications, the internet and other means to share with the public information about developments that affect them.

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

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The Office of Public Affairs has a continuing responsibility to keep the American public, the news media and all interested governmental agencies informed of Department of Transportation programs and activities. Not only is there an inherent public right to know, but public understanding and discussion are essential to accomplishing DOT goals. The public support necessary to achieve Department objectives requires an open public information program responsive to media inquiries and public interest. It must also be comprehensive and cohesive, coordinating the public affairs activities of all the Department's modal public affairs offices.

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs;

and (5) an increase for an estimated 1 percent inflation increase as well as an estimated 15 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

## OFFICE OF THE SECRETARY OF TRANSPORTATION

## SALARIES AND EXPENSES

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

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$1,914</b>	<b>14</b>
<b>FY 2014 Enacted</b>	<b>\$2,020</b>	<b>15</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$4	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$13	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$1	
FERS and FEHB Increases	\$22	
Inflation	\$2	
<b>FY 2015 Baseline Estimate</b>	<b>\$2,061</b>	<b>15</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$0</u>	<u>0</u>
<b>Total, FY 2015 Request</b>	<b>\$2,061</b>	<b>15</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the Assistant Secretary for Budget and Programs/CFO - (B)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits 1/	\$8,576	\$9,464	\$10,293	\$829
Travel	\$15	\$20	\$21	\$0
Other Costs 1/	\$1,396	\$3,192	\$2,798	-\$394
<b>TOTAL</b>	<b>\$9,987</b>	<b>\$12,676</b>	<b>\$13,111</b>	<b>\$435</b>

**STAFFING**

Direct Positions	56	65	65	0
Direct FTEs	46	57	61	4
Reimbursable Positions	2	2	2	0
Reimbursable FTEs	1	2	2	0
Allocation Positions	24	24	24	0
Allocation FTEs	13	21	24	3

1/ The FY 2015 increase in Personnel Compensation and Benefits funds the annualization of 4 new positions in the Office of Credit Oversight and Risk Management which is offset by a decrease in Other Costs. The decrease in Other Costs reflects a reduction of contractual services that will no be needed as the new hires come on board in FY 2014.

The Office of the Assistant Secretary for Budget and Programs, and CFO is requesting \$13.111 million and an estimated 61 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

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

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

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The Office of the Assistant Secretary for Budget and Programs, and Chief Financial Officer supports the **Organizational Excellence** strategic goal by assisting the Secretary with budget and financial matters. Specific responsibilities are discussed below.

The Office provides **departmental budget leadership** for all appropriation matters for the Department of Transportation (DOT), fosters the effective use of resources, and champions DOT's budget and performance initiatives. The Office is responsible for ensuring effective preparation and presentation of sound and adequate budget estimates for each Operating Administration and the Office of the Secretary (OST). Furthermore, the Office ensures proposed financial plans are consistent with approved plans and programs, and briefs the White House, Congress, Congressional Staff, Office of Management & Budget (OMB), and others on DOT's funding requirements.

The Office is responsible for **departmental financial management leadership** for the Operating Administrations and OST. The primary duty is to uphold strong financial management and accountability while providing timely, accurate, and reliable financial information and enhancing internal controls. This is done through the prompt and precise submission of DOT's consolidated financial statements, meeting all OMB's and Department of the Treasury's reporting requirements. The Office also manages DOT's Federal Managers Financial Integrity Act (FMFIA) program, Internal Control program, Erroneous Payment and Recovery Audit programs, and DOT's Improper Payments Information Act program. Additionally, the Office serves as system owner to Delphi, DOT's core financial management system. It provides management direction and oversight to the Enterprise Service Center (ESC), located in Oklahoma City, which operates Delphi and oversees accounting services to all DOT agencies. Along with Delphi, the Office serves as the system owner to CASTLE, the DOT-wide Consolidated Automated System for Time and Labor Entry. Lastly, the Office establishes Departmental travel policy and guidance, maintains DOT's Travel Credit Card Program, and oversees travel management contract services throughout DOT.

The Office is responsible for **oversight of the Department's credit programs**, assisting with the financial review and monitoring of DOT's credit programs and oversees and coordinates all the credit reform requirements with OMB. In addition, the Office supports the work of the DOT Credit Council, the Deputy Secretary, Assistant Secretary for Budget and Programs, and CFO. It leads the Credit Council Working Group, which is comprised of the DOT credit program managers and staff. The Office also oversees the major credit programs at DOT: the Transportation Infrastructure Finance and Innovation Act (TIFIA) program, the Railroad Rehabilitation and Improvement Financing Program (RRIF), and MARAD's Title XI program.

The Office is **responsible for the TIFIA program and the TIFIA Joint Program Office (JPO)** on behalf of the Secretary, including the evaluation of individual projects, overall policy direction and program decisions, as well as personnel decisions. The TIFIA JPO oversees an active portfolio of \$9.6 billion and 28 projects and reviews potential project applications from project sponsors

interested in entering the TIFIA program. The TIFIA JPO and projects are funded by the Highway Account of the Highway Trust Fund.

The Office is responsible for **budget formulation and execution and financial management for the OST offices** and programs. The Office formulates and justifies the budget requests for OST offices and programs to the Departmental Budget Office, OMB, and Congress and executes enacted appropriations. It also performs the full-range of financial management functions for the OST offices and programs, including: financial statement review; preparation and/or review of all deliverables for the annual financial audit; accounts payable and accounts receivable oversight; cash management; reimbursable agreement monitoring and reconciliation; and oversight of the integrity of all transactions in the accounting system. The Office also manages OST's Federal Managers Financial Integrity Act (FMFIA) and A-123 Internal Control program, develops performance measures under the Department's strategic goals, and tracks actual outcomes against those measures.

#### FY 2014 Anticipated Accomplishments

In FY 2014, the office will accomplish an effective presentation of a sound and adequate budget for OST and the Department, foster effective use of resources, and provide accurate and reliable financial information with enhanced internal controls. The Office works to produce a clean annual audit by enforcing financial controls. Particular focus areas in FY 2014 will be the establishment of the credit oversight functions, implementation of MAP-21 requirements within the TIFIA office, and enhancement of DOT's credit programs subsidy methodology and re-estimate processes.

#### Why is This Particular Function Necessary?

---

The Assistant Secretary for Budget and Programs, and CFO is the principal budget and financial advisor to the Secretary of the Department of Transportation and oversees all thirteen Operating Administrations and \$70 billion of funding. The Office is responsible for enforcing financial and budgetary statutory authorities, providing administrative guidance to all the DOT Operating Administrations and OST on all budget, finance, and accounting matters, ensuring sound fiscal input across the Department. In addition, the Office sets and executes policy guidance for the TIFIA application process. The CFO serves as the Vice Chairman of the Department's Credit Council, which oversees the Department's more than \$10 billion loan portfolio.

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

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The FY 2015 budget request includes changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase as well as an estimated 61 FTEs and associated costs. In addition, there is a net program decrease of \$421 thousand which is comprised of a program increase of \$219 thousand to ensure that the Department has access to financial management expertise to assist in responding to specific requests by the financial management auditors and the Office of the Inspector General staff during the annual audit review and a program decrease of \$640 thousand to offset the FY 2015 FTE annualization costs associated with new positions approved for the Office of

Credit Oversight and Risk Management in FY 2014. A more detailed breakdown of this request can be found in the Object Class by Office exhibit.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

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

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$9,987</b>	<b>46</b>
<b>FY 2014 Enacted</b>	<b>\$12,676</b>	<b>57</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$23	
Annualization of New Positions Requested in FY 2014	\$640	4
January 2015 Pay Raise	\$70	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$3	
FERS and FEHB Increases	\$91	
Inflation	\$29	
<b>FY 2015 Baseline Estimate</b>	<b>\$13,532</b>	<b>61</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$421	<b>0</b>
A program increase in Contractual Services for auditing support offset by a decrease in Other Costs to fund the annualization of 4 new positions		
<b>Total, FY 2015 Request</b>	<b>\$13,111</b>	<b>61</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the General Counsel - C***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$15,873	\$17,538	\$17,873	\$335
Travel	\$280	\$384	\$388	\$4
Other Costs	\$2,342	\$1,977	\$2,050	\$73
<b>TOTAL</b>	<b>\$18,494</b>	<b>\$19,900</b>	<b>\$20,312</b>	<b>\$412</b>

**STAFFING**

Direct Positions	113	113	113	0
Direct FTEs	102	109	109	0
Reimbursable Positions	0	11	11	0
Reimbursable FTEs	0	0	9	9

The Office of the General Counsel is requesting a total of \$20.312 million and an estimated 109 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

The Reimbursable positions and FTEs reflected in FY 2014 and FY 2015 reflects the transfer of the Honors Attorneys Program from PHMSA to OST in August 2014, the beginning of the new class of attorneys.

## Detailed Justification for the Office of the General Counsel

### What is this Program/Activity?

---

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

As discussed below, the Office of the General Counsel is comprised of seven offices and the Center for Alternate Dispute Resolution to carry out these functions:

The **Office of General Law** provides legal advice, counsel, and representation that reflects a problem-solving approach to achieving national transportation policy goals and the efficient operations of DOT in the following areas: appropriations, fiscal law and financial management; acquisitions, acquisition planning, and financial assistance; innovative financing; real property, facilities, and asset management; information technology investment and management, and capital planning; employee ethical conduct, conflicts of interest, and political activities; equal employment opportunity and other civil rights matters; and Federal personnel and employment.

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

The **Office of Litigation** provides legal advice and support in defense of DOT's programs when they are challenged in judicial proceedings. In any given year, DOT and its Operating Administrations (OAs) are parties to new cases challenging DOT's decisions, regulations, orders and policies. These matters include cases challenging the decisions of the Secretary, cases of particular importance to the Secretary involving the OAs, bankruptcy cases, and cases involving cross-modal issues. Additionally, all Supreme Court cases are handled directly by the Office. The Office supervises the preparation of all regulatory filings and participates on behalf of DOT in proceedings in which DOT has an interest before various independent regulatory agencies.

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

The **Office of Regulation and Enforcement** provides legal support to DOT program offices in their preparation of rules that will meet substantive, procedural, and Administration policy requirements. The Office's management support also includes the tracking and review of all significant DOT rulemaking documents as well as non-significant Office of the Secretary of Transportation (OST) rulemakings. The Office is the principal liaison with OMB on rulemaking matters, and coordinates important cross-cutting substantive rules that affect multiple OAs.

The **Office of Operations** provides legal support on a broad range of operational issues related to DOT's programs and strategic objectives. Because many of the Office's practice areas involve issues affecting all modes of transportation, such as environmental law and Freedom of Information Act (FOIA), the Office works closely not only with clients in OST, but also with the OA's Chief Counsel Offices to support all of DOT's programs and ensure consistent legal interpretations on recurring and novel issues. The Office oversees DOT's FOIA Office, and maintains continuous readiness to provide legal support for emergency response activities. The Office also reviews a steady stream of environmental documents, proposed Essential Air Service Orders, SCASDP grants, airport competition plans, Privacy Impact Assessments, security-related directives, and other documents related to maritime law and Native American sovereignty and jurisdiction.

The **Office of Aviation Enforcement and Proceedings (AEP)** functions in four general areas that support DOT's Economic Competitiveness strategic goal by: (1) enforcing air travel consumer protection and civil rights requirements and aviation economic licensing rules; (2) providing legal guidance to DOT program offices, including review of air carrier fitness decisions; (3) serving as Public Counsel in hearing cases involving fitness and international carrier selection proceedings; and (4) prosecuting cases conducted under the Program Fraud Civil Remedies Act to obtain penalties for false statements or false claims made to OST. Of major importance is AEP's work to enforce DOT's rules regarding: the civil rights of air travelers with disabilities and other protected groups; air fare advertising; on-time performance and code share disclosure; unrealistic scheduling; denied boarding compensation; tarmac delays; ticket refunds; baggage liability; public charters; and aviation economic licensing requirements for both direct and indirect, foreign and domestic air carriers. AEP also supports DOT's domestic air carrier economic licensing program by providing extensive legal review of air carrier fitness decisions. In addition, the Aviation Consumer Protection Division (ACPD), which is an office within AEP, plays an important role in assisting, educating, and protecting aviation consumers. ACPD handles consumer complaints about air travel (8,000-20,000 per year), responds to Congressional inquiries regarding constituent travel problems (400-700 per year) and conducts investigations of airlines for violations of DOT rules. ACPD also publishes the monthly *Air Travel Consumer Report*

(ATCR), which summarizes data on flight delays, mishandled baggage, denied boardings, and passenger complaints.

Performance Measures:

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

Economic Competitiveness

- Percent of consumer complaints reviewed by a transportation industry analyst within seven days of receipt, regardless of mechanism of receipt (email, phone or letter).
- Median investigation time (days) for civil rights complaints (disability and other discrimination).

The **Center for Alternate Dispute Resolution (CADR)** provides innovative approaches to problem-solving that control the cost of conflict and produce quicker, more durable outcomes. CADR supports the use of Alternative Dispute Resolution (ADR) by DOT in all areas including formal and informal adjudication, issuance of regulations, enforcement and compliance, issuing and revoking licenses and permits, contract and grant awards, environmental planning, and litigation brought by or against DOT. CADR supports program offices in the design and implementation of specific ADR approaches that meet an organization's particular need. CADR also facilitates early and direct interaction among parties by providing mediation and facilitation services to help parties resolve disputes efficiently and effectively and helps identify ADR providers outside DOT. Finally, CADR offers informational and skills based training on dispute resolution and conflict management.

Anticipated FY 2014 Accomplishments:

- The Office of General Law will provide legal sufficiency reviews on over 100 acquisition related documents, over 30 loan actions, and over 100 financial assistance documents. The Office also will review over 125 public financial disclosure statements and 200 confidential financial disclosure statements as well as provide an annual ethics training program to over 325 reporting individuals.  
  
The Office of International Law will process over 300 international work items, including safety, security, science and technology agreements, administrative adjudication of requests for antitrust immunity, and approximately 20 rounds of international negotiations.
- The Office of Litigation will provide legal advice and support in over 100 new cases; prepare 15 to 20 regulatory filings for proceedings before various independent regulatory agencies and participate in 2 to 4 hearings before such agencies; and improve, in conjunction with the Office of the Chief Information Officer and the modal administrations, the Department's readiness to respond to requests for electronic documents in litigation and in Congressional and OIG investigations.
- The Office of Legislation will coordinate Departmental and Administration-wide clearance of approximately 60 items of Congressional testimony by DOT witnesses, and follow-up transcript review and responses to Questions for the Record and conduct Department-wide clearance of approximately 700 policy documents (Administration bills, testimony, views letters, reports and Statements of Administration Policy) circulated by the Office of Management and Budget.

- The Office of Regulation and Enforcement will engage in 100-125 significant rulemakings.
- The Office of Operations will process hundreds of FOIA requests and appeals, and continue to work towards a 10 percent reduction in DOT's FOIA backlog and provide legal support for emergency response activities, including regular exercises and 8-10 annual activations of the U.S. Government's Emergency Support Function No. 1 (Transportation), led by DOT. The Office will draft and negotiate approximately 25 grant agreements under the Small Community Air Service Development grant program (SCASDP), and address legal issues as they arise from the administration of about 100 active SCASDP grants. The Office will also review some 100 Essential Air Service Orders and approximately 50 major environmental documents.
- The Office of Aviation Enforcement and Proceedings will review thousands of aviation consumer complaints within 7 days of receipt by the Department; maintain a median investigation time of 180 day for civil rights complaints (disability and other discrimination); and handle between 150 and 250 items involving carrier economic authority received by the Department; and conduct on-site and other investigation of U.S. and foreign air carriers regarding compliance with consumer protection and civil rights requirements. The office will also draft aviation consumer protection and civil rights rulemakings.
- The Center of Alternative Dispute Resolution will provide conflict management-related training skills training to nearly 200 DOT and provide coaching and mediation of 23 two-party cases and two large group cases.

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

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

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

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

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase as well as an estimated 109 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

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

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$16,125</b>	<b>88</b>
<b>FY 2014 Enacted</b>	<b>\$17,400</b>	<b>94</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$39	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$117	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$48	
FERS and FEHB Increases	\$147	
Inflation	\$11	
<b>FY 2015 Baseline Estimate</b>	<b>\$17,762</b>	<b>94</b>
<u>FY 2015 Program Changes (+/-):</u>	\$0	0
<b>Total, FY 2015 Request</b>	<b>\$17,762</b>	<b>94</b>



**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES**

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

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$2,369</b>	<b>14</b>
<b>FY 2014 Enacted</b>	<b>\$2,500</b>	<b>15</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$4	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$14	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$26	
Inflation	\$6	
<b>FY 2015 Baseline Estimate</b>	<b>\$2,550</b>	<b>15</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$0</u>	<u>0</u>
<b>Total, FY 2015 Request</b>	<b>\$2,550</b>	<b>15</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the Assistant Secretary for Governmental Affairs - (I)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$2,018	\$2,208	\$2,245	\$37
Travel	\$25	\$64	\$64	\$1
Other Costs	\$326	\$258	\$258	-\$1
<b>TOTAL</b>	<b><u><u>\$2,369</u></u></b>	<b><u><u>\$2,530</u></u></b>	<b><u><u>\$2,567</u></u></b>	<b><u><u>\$37</u></u></b>

**STAFFING**

Direct Positions	18	18	18	0
Direct FTEs	14	17	17	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Governmental Affairs is requesting \$2.567 million and an estimated 17 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

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

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

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

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

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

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

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

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an increase for an estimated 1 percent inflation increase as well as an estimated 17 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES**

**Explanation of Funding Changes  
for the  
Office of the Assistant Secretary for Governmental Affairs - (I)**  
(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$2,369</b>	<b>14</b>
<b>FY 2014 Enacted</b>	<b>\$2,530</b>	<b>17</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$16	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$7	
FERS and FEHB Increases	\$20	
Inflation	\$3	
<b>FY 2015 Baseline Estimate</b>	<b>\$2,567</b>	<b>17</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$0</u>	<u>0</u>
<b>Total, FY 2015 Request</b>	<b>\$2,567</b>	<b>17</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION****SALARIES AND EXPENSES***Office of the Assistant Secretary for Administration - (M)***What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$7,279	\$7,673	\$8,260	\$587
Travel	\$25	\$17	\$18	\$0
Other Costs	\$16,833	\$18,688	\$19,142	\$455
<b>TOTAL</b>	<b>\$24,137</b>	<b>\$26,378</b>	<b>\$27,420</b>	<b>\$1,042</b>

**STAFFING**

Direct Positions	59	59	60	1
Direct FTEs	43	50	53	3
Reimbursable Positions	9	9	9	0
Reimbursable FTEs	8	8	8	0

The Office of the Assistant Secretary for Administration is requesting \$27.420 million and an estimated 53 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

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

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

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

The Assistant Secretary for Administration is the principal advisor to the Secretary and Deputy Secretary on Department-wide administrative matters. This includes strategic management of human capital; policy formulation for matters falling within the functional purview of the Office of the Assistant Secretary; follow-up and resolution of Government Accountability Office and Inspector General audit reviews of department programs, including preparation of required reports; and other management-related initiatives.

In addition, the Assistant Secretary serves as the Chief Human Capital Officer (CHCO), the Chief Acquisition Officer for DOT, and the Senior Sustainability Officer. As CHCO, the OASA is responsible for the implementation of the DOT hiring reform initiative and monitoring agency efforts to improve the speed and quality of hiring and the satisfaction of managers and applicants with the hiring experience as well as ensuring that DOT's human capital program adheres to the Merit System Principles. As Chief Acquisition Officer, the OASA formulates departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and best business practices. As the Senior Sustainability Officer, the OASA leads the Department's implementation of Executive Orders 13514 and 13423 and the Department's Comprehensive Strategic Sustainability Performance Plan. The Assistant Secretary is also the senior security executive for the Department and provides leadership and direction to departmental organizations to ensure the safety, security, and protection of DOT personnel, information, facilities, and other assets.

In addition, the Office of the Senior Procurement Executive serves as the Executive Secretariat for the Strategic Sourcing Executive Steering Committee within the department. This on-going function includes efforts to charter, staff, and oversee cross-agency spend analysis teams, comparing and analyzing (\$5.6 billion in FY 2011) baseline outlays. The Executive Steering Committee analyzes data, evaluates the results, and implements strategic sourcing solutions in areas that generate Department-wide savings. DOT will be continuing a strong focus on strengthening the acquisition workforce consistent with the agency acquisition human capital plan, to include increasing capabilities to improve acquisition management and performance outcomes.

### **FY 2014 Anticipated Accomplishments:**

The Departmental Office of Human Resource Management's focus will be on acquisition human capital initiatives, closing competency gaps in the Department's mission critical occupations, and ensuring the timely hiring of quality candidates through use of electronic systems. The office will maintain and institutionalize ongoing Human Capital programs while integrating Human Capital practices, technologies, and programs to contribute to organizational mission accomplishment. It also will continue to play a key role in addressing issues identified in the

Annual Federal Employee Viewpoint Survey to strengthen employee engagement throughout DOT. In addition, the Departmental Office of Human Resources will:

- Implement the Diversity and Inclusion Strategic Plan through training and development opportunities that will equip leaders and employees to be viewed as diversity role models not only in their active involvement in diversity initiatives, but also in their daily on-the-job behavior.
- Create a performance culture where DOT's Operating Administrations have performance appraisal and awards systems that are linked to agency mission, goals and outcomes and where fairness and equity is the perception of employees; and train human resource personnel on workforce and succession planning to analyze demographic data and forecast future trends and needs that improve the linkage between the corporate recruitment program and projected workforce needs.
- Support efficient, cost-effective, standardized and interoperable HR solutions to provide common, core functionality to support the strategic management of human capital in addressing duplicative and redundant HR systems and processes.

The Office of the Senior Procurement Executive will continue to provide expert advice and direction to the OAs, ensuring that taxpayer dollars achieve the performance outcomes required to accomplish DOT's mission while emphasizing performance, integrity and public policy requirements. The OSPE will also:

- Complete Phase Two of the Strategic Sourcing Charter which incorporates Management Support Services, Furniture, Cellular Services, and Software/Maintenance into the Departmental strategic sourcing plan. This initiative will fully pursue savings and engage the full range of Departmental stakeholders in the spend analysis efforts.
- Conduct procurement management reviews (PMRs) to ensure harmony with both Federal and Departmental policies. The PMRs will identify strengths and opportunities for improvement at the Operating Administration level. The PMR program will also improve the overall effectiveness and efficiency of the acquisition program delivery and support the identification of acquisition workforce training needs.
- Initiate development of an in-house training program for performance-based acquisitions and provide acquisition training for over 200 acquisition professionals in week-long training sessions on the proper administration of performance based acquisitions.

The Office of Security will continue to participate in national discussions and draft a new personnel security order once new Federal guidance is promulgated for the investigation and adjudication of Federal employees and contractors. The National Archives and Records Administration (NARA) is issuing policy that directs Departments to establish procedures for Controlled Unclassified Information (CUI). In FY 2014, the Office of Security will develop and issue DOT policies that implement NARA's government-wide requirements for standing up a Departmental program for training, inspection and reporting of CUI. The Office of Security will also provide support to DOT components on establishing secure facilities and interpreting standards for the processing, discussion and storage of classified national security information and develop Departmental policy and procedures for security programs.

The Sustainability Office will develop a culture of sustainability by developing policy and providing training and outreach activities that promote sustainability goals such as sustainable acquisition and bio-preferred purchasing, reducing waste, recycling, and using technology alternatives in place of travel. The Sustainability Office is expected to complete the following accomplishments in fiscal year 2014:

- Using the *Greenhouse Gas and Sustainability Data Report* template developed by the Department of Energy, Submit DOT’s Greenhouse Gas (GHG) inventory to the Department of Energy for review and comment. In addition, the Office will complete a Department-wide survey of its employees’ commuting habits to measure GHG inventory.
- Provide ongoing technical support and guidance to each of the 10 Operating Administrations and update the Department’s Energy, High Performance Sustainable Buildings, Performance-based Contracts, Water, and Fleet Management policies to ensure each meet the latest regulatory and legislative requirements. Additionally, the office will create guidance manual(s) for each of the Department’s field offices for implementing the above referenced policies.

Performance Measures:

Environmental Sustainability performance will be evaluated against the following measures as listed in Exhibit III-2.

ENVIRONMENTAL SUSTAINABILITY:

**DOT Goal: Environmental Sustainability**

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

30 percent reduction in DOT building energy intensity use by 2015 from a FY 2005 baseline.	2010	2011	2012	2013	2014	2015
Target	15%	18%	21%	24%	27%	30%
Actual	20.2%	26.4%	24%	19.6%		



**DOT Goal: Environmental Sustainability**

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

30 percent reduction in vehicle fleet petroleum use by 2020 from a FY 2005 baseline.	2010	2011	2012	2013	2014	2015
Target	10%	12%	14%	16%	18%	20%
Actual	5%	4.9%	14.5%	22%		

**DOT Goal: Environmental Sustainability**

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

26 percent improvement in water efficiency by 2020 from a FY 2007 baseline.	2010	2011	2012	2013	2014	2015
Target	6%	8%	10%	12%	14%	16%
Actual	(1.2%)	(9.7%)	0.9%	24.1%		

**DOT Goal: Environmental Sustainability**

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

50 percent recycling and waste diversion by 2015.	2010	2011	2012	2013	2014	2015
Target	2%	4%	6%	8%	40%	50%
Actual	*	*	11%	6.6%		

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

**DOT Goal: Environmental Sustainability**

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

95 percent of all applicable contracts will meet sustainability requirements by 2020.	2010	2011	2012	2013	2014	2015
Target	95%	95%	95%	95%	95%	95%
Actual	*	95%	95%	95%		

\*Actual data is not available for FY 2010.

**DOT Goal: Environmental Sustainability**

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

12.3 percent reduction in greenhouse gas emissions from facilities and fleets by 2020 from a FY 2008 baseline.	2010	2011	2012	2013	2014	2015
Target	0%	2%	4%	7%	9%	11%
Actual	7.9%	15.4%	29%	27.1%		

**DOT Goal: Environmental Sustainability**

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

10.9 percent reduction in greenhouse gas emissions from employee business travel and commuting by 2020 from a FY 2008 baseline	2010	2011	2012	2013	2014	2015
Target	0%	0%	2%	4%	6%	8%
Actual	(4.7%)	<0.1%	14%	26.9%		

### Why Is This Particular Program Necessary?

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

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

---

The FY 2015 budget request includes changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for GSA Rent, Working Capital Fund, and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase as well as an estimated 53 FTEs and associated costs. Included in this request is \$9.315 million for the Departmental Human Resources, Acquisitions, Sustainability, and Security Oversight and Policy activities; \$8.328 million for payment of centralized administrative and support services for all OST offices, and \$9.255 million for GSA rental expenses for all OST Offices (broken out in the table below). This request also includes a \$522 thousand increase in salaries and benefits in order to fully fund 53 FTEs of which \$98 thousand is for an additional FTP to begin structuring a Transportation Fringe Benefit Program Office in FY 2015.

A more detailed breakdown of this request can be found in the Object Class by Office exhibit.

Rental Locations	FY 2014	FY 2015	Net Increase/Decrease
	Rental Payments	Rental Payments	
Southeast Federal Center, WDC	\$ 8,824,745	\$ 9,166,350	\$ 341,605
Des Plaines, IL	\$ 62,363	\$ 63,124	\$ 761
Operations and Maintenance	\$ 45,617	\$ 25,239	\$ (20,378)
Total:	\$ 8,932,725	\$ 9,254,713	\$ 321,988

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**SALARIES AND EXPENSES**

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

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$24,137</b>	<b>43</b>
<b>FY 2014 Enacted</b>	<b>\$26,378</b>	<b>50</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$19	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$57	
GSA Rent	\$322	
Working Capital Fund and FECA Changes	\$30	
FERS and FEHB Increases	\$77	
Inflation	\$16	
<b>FY 2015 Baseline Estimate</b>	<b>\$26,898</b>	<b>50</b>
<u>FY 2015 Program Changes (+/-):</u>	\$522	3
Funds three additional FTE's associated with previously authorized FTP positions and one new FTP to begin structuring a Transportation Fringe Benefit Program. The DOT General Provision 191 within the Consolidated Appropriations Act, 2014 designated DOT as the government-wide agent to carry out a program that establishes uniform standards for developing and supporting agency transit pass and transit benefits.		
<b>Total, FY 2015 Request</b>	<b>\$27,420</b>	<b>53</b>

Section 3 - FY 2015 Budget Request by Appropriation

**SALARIES AND EXPENSE APPROPRIATION  
FY 2014 ENACTED  
OBJECT CLASS DETAIL BY OFFICE**

(In thousands of dollars)

	<u>OFFICE OF THE SECRETARY</u> (S-1)	<u>OFFICE OF THE DEP. SEC</u> (S-2)	<u>UNDER SEC OF TRANSP POLICY</u> (S-3)	<u>OFFICE OF THE EX SEC</u> (S-10)	<u>OFFICE OF SDBU</u> (S-40)	<u>OFFICE OF INTELL., SEC., AND EMERG. RESPONSE</u> (S-60)	<u>OFFICE OF THE CIO</u> (S-80)	<u>OFFICE OF PUBLIC AFFAIRS</u> (A)	<u>ASSIST SEC FOR BUDGET</u> (B)	<u>GENERAL COUNSEL</u> (C)	<u>ASSIST SEC FOR GOV'T AFFRS</u> (I)	<u>ASSIST SEC FOR ADMIN</u> (M)	<u>TOTAL</u>
a. PC&B COSTS													
PERSONNEL COMP. & BENEFITS													
(1) FTP COSTS	1,007	393	6,868	1,219	1,082	6,002	4,162	800	7,006	13,366	912	5,997	48,815
(2) OTFTP COSTS	815	383	514	12	0	103	152	533	340	539	718	11	4,120
(3) OTHER COMPENSATION	0	0	30	0	0	380	0	0	0	0	0	0	410
<b>SUBTOTAL COMPENSATION</b>	<b>1,822</b>	<b>776</b>	<b>7,412</b>	<b>1,231</b>	<b>1,082</b>	<b>6,485</b>	<b>4,315</b>	<b>1,333</b>	<b>7,346</b>	<b>13,905</b>	<b>1,631</b>	<b>6,008</b>	<b>53,346</b>
b. PERSONNEL BENEFITS	493	182	2,044	333	279	1,850	1,209	452	2,118	3,633	577	1,664	14,834
<b>SUBTOTAL, PC&amp;B</b>	<b>2,314</b>	<b>957</b>	<b>9,456</b>	<b>1,564</b>	<b>1,361</b>	<b>8,335</b>	<b>5,524</b>	<b>1,785</b>	<b>9,464</b>	<b>17,538</b>	<b>2,208</b>	<b>7,673</b>	<b>68,180</b>
2. TRAVEL & TRANS. OF PERS.	202	35	134	2	0	334	15	51	20	384	64	17	1,259
3. TRANSPORTATION	0	0	3	0	0	0	0	0	0	0	0	0	3
4. RENTAL PAYMENTS TO GSA	0	0	0	0	0	0	0	0	0	0	0	8,933	8,933
5. COMM., UTIL., & MISC.	0	0	65	3	0	56	1	0	0	63	0	0	188
6. PRINTING & REPRODUCTION	0	0	0	0	0	0	0	0	0	300	0	0	300
7. OTHER SERVICES	102	7	589	144	25	2,048	10,135	185	3,128	1,523	238	9,745	27,869
8. SUPPLIES & MATERIALS	33	0	20	1	0	5	10	0	50	91	20	10	241
9. EQUIPMENT	0	0	3	0	0	0	10	0	14	0	0	0	27
<b>SUBTOTAL, OTHER COSTS</b>	<b>338</b>	<b>43</b>	<b>815</b>	<b>150</b>	<b>25</b>	<b>2,443</b>	<b>10,171</b>	<b>235</b>	<b>3,212</b>	<b>2,362</b>	<b>322</b>	<b>18,705</b>	<b>38,820</b>
<b>TOTAL</b>	<b>2,652</b>	<b>1,000</b>	<b>10,271</b>	<b>1,714</b>	<b>1,386</b>	<b>10,778</b>	<b>15,695</b>	<b>2,020</b>	<b>12,676</b>	<b>19,900</b>	<b>2,530</b>	<b>26,378</b>	<b>107,000</b>

STAFFING													
DIRECT													
POSITIONS	15	7	89 1/	15	9	53	35	17	65	113	18	59	495
FTE	13.00	7.00	81.00 1/	14.00	9.00	51.00	33.00	15.00	57.00	109.00	17.00	50.00	456.00
REIMBURSABLE													
POSITIONS	7	0	0	0	0	0	0	0	2	11	0	9	29
FTE	6.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	0.00	0.00	8.00	16.00

1/ Includes positions and FTE associated with SCASDP.

**SALARIES AND EXPENSE APPROPRIATION  
FY 2015 REQUEST  
OBJECT CLASS DETAIL BY OFFICE**

(In thousands of dollars)

	OFFICE OF THE SECRETARY (S-1)	OFFICE OF THE DEP. SEC (S-2)	UNDER SEC OF TRANSP POLICY (S-3)	OFFICE OF THE EX SEC (S-10)	OFFICE OF SDBU (S-40)	OFFICE OF INTELL., SEC., AND EMERG. RESPONSE (S-60)	OFFICE OF THE CIO (S-80)	OFFICE OF PUBLIC AFFAIRS (A)	ASSIST SEC FOR BUDGET (B)	GENERAL COUNSEL (C)	ASSIST SEC FOR GOVT AFFRS (I)	ASSIST SEC FOR ADMN (M)	TOTAL
a. PC&B COSTS													
PERSONNEL COMP. & BENEFITS													
(1) FTP COSTS	1,017	397	6,937	1,231	1,093	6,062	4,612	808	7,575	13,499	921	6,471	50,625
(2) OTFTP COSTS	823	386	519	12	0	104	154	538	344	545	725	12	4,162
(3) OTHER COMPENSATION	0	0	31	0	0	494	0	0	0	0	0	0	524
<b>SUBTOTAL COMPENSATION</b>	<b>1,840</b>	<b>783</b>	<b>7,486</b>	<b>1,244</b>	<b>1,093</b>	<b>6,660</b>	<b>4,766</b>	<b>1,346</b>	<b>7,918</b>	<b>14,044</b>	<b>1,647</b>	<b>6,483</b>	<b>55,311</b>
b. PERSONNEL BENEFITS	514	184	2,137	350	294	1,862	1,392	476	2,374	3,829	598	1,777	15,788
<b>SUBTOTAL, PC&amp;B</b>	<b>2,354</b>	<b>968</b>	<b>9,623</b>	<b>1,593</b>	<b>1,387</b>	<b>8,522</b>	<b>6,158</b>	<b>1,822</b>	<b>10,293</b>	<b>17,873</b>	<b>2,245</b>	<b>8,260</b>	<b>71,099</b>
2. TRAVEL & TRANS. OF PERS.	204	36	136	2	0	338	15	51	21	388	64	18	1,272
4. RENTAL PAYMENTS TO GSA	0	0	3	0	0	0	0	0	0	0	0	0	3
5. COMM., UTIL., & MISC.	0	0	0	0	0	0	0	0	0	0	0	9,255	9,255
6. PRINTING & REPRODUCTION	0	0	66	3	0	56	1	0	0	64	0	0	190
7. OTHER SERVICES	0	0	0	0	0	0	0	0	0	303	0	0	303
8. SUPPLIES & MATERIALS	103	7	566	147	27	2,134	9,912	188	2,733	1,591	237	9,878	27,524
9. EQUIPMENT	34	0	20	1	0	5	10	0	51	92	20	10	244
<b>SUBTOTAL, OTHER COSTS</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>10</b>	<b>0</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27</b>
<b>TOTAL</b>	<b>2,696</b>	<b>1,011</b>	<b>10,417</b>	<b>1,746</b>	<b>1,414</b>	<b>11,055</b>	<b>16,106</b>	<b>2,061</b>	<b>13,111</b>	<b>20,312</b>	<b>2,567</b>	<b>27,420</b>	<b>109,916</b>
STAFFING													
DIRECT													
POSITIONS													
FTE	15	7	89 1/	15	9	53	41	17	65	113	18	60	502
REIMBURSABLE													
POSITIONS	13.00	7.00	81.00 1/	14.00	9.00	51.00	36.00	15.00	61.00	109.00	17.00	53.00	466.00
FTE	8	0	0	0	0	0	0	0	2	11	0	9	30
	7.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2.00	9.00	0.00	8.00	26.50

1/ Includes positions and FTE associated with SCASDP.

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## SALARIES &amp; EXPENSES

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification code	FY 2013	FY 2014	FY 2015
69-0102-0-1-407	Actual	Enacted	Request
<b>Obligations by program activity:</b>			
0001 General Administration	94,703	110,552	111,768
0002 SCASDP Grants	0	15,591	0
0100 Direct program activities, subtotal	94,703	126,143	111,768
0801 Reimbursable program	5,046	7,638	8,425
0900 Total new obligations	99,749	133,781	120,193
<b>Budgetary Resources:</b>			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8,117	14,348	2,757
1021 Resources available from recoveries of prior year obligations	1,215	0	0
1050 Unobligated balance (total)	9,331	14,348	2,757
<b>Budget Authority: appropriations, discretionary</b>			
1100 Appropriation	102,481	107,000	109,916
1130 Appropriations permanently reduced (disc)	-5,360	0	0
1160 Appropriations, discretionary (Total)	97,121	107,000	109,916
<b>Spending authority from offsetting collections, discretionary:</b>			
1700 Collected	12,398	15,190	9,277
1701 Change in uncollected payments, Federal sources	-285	0	0
1723 New\Unob. Balances Temp Reduced	-62	0	0
1750 Total Spending authority	12,051	15,190	9,277
1900 Budget Authority (Total)	109,172	122,190	119,193
1930 Total Budgetary Resources Available	118,503	136,538	121,950
<b>Memorandum (non-add) entries:</b>			
1940 Unobligated Balance Expiring	-4,406	0	0
1941 Unexpired unobligated balance, end of year	14,348	2,757	1,757
<b>Change in obligated balance:</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	42,210	35,996	7,943
3010 Obligations incurred, unexpired accounts	99,749	133,781	120,193
3011 Obligations incurred, expired accounts	2,273	0	0
3020 Obligated balance, Outlays (gross)	-103,415	-161,834	-118,901
3040 Recoveries of prior year unpaid obligations, unexpired	-1,215	0	0
3041 Recoveries of prior year unpaid obligations, expired	-3,606	0	0
3050 Unpaid obligations, end of year	35,996	7,943	9,234
<b>Uncollected payments:</b>			
3060 Uncollected pymts, Fed sources, brought forward Oct 1	590	14	14
3070 Change in uncollected pymts, Fed sources, unexpired	285	0	0
3071 Change in uncollected pymts, Fed sources, expired	-861	0	0
3090 Uncollected pymts, Fed sources, end of year	14	14	14
<b>Memorandum (non-add) entries:</b>			
3100 Obligated balance, start of year	0	36,010	7,943
3200 Obligated balance, end of year	36,010	7,943	9,234
<b>Budget Authority and outlays, net:</b>			
4000 Budget authority, gross	109,172	122,190	119,193
<b>Outlays, gross:</b>			
4010 Outlays from new discretionary authority	86,628	111,490	108,201
4011 Outlays from discretionary balances	16,787	50,344	10,700
4020 Outlays, gross (Total)	103,415	161,834	118,901
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
4030 Federal sources	-11,467	-12,638	-8,425
4033 Non-Federal sources	-1,234	-2,552	-852
4040 Total offsetting collection (cash)	-12,701	-15,190	-9,277
Additional offsets against gross budget authority only:			
4050 Chg in Uncollected pymts, Fed Sources (unexpired)	285	0	0
4052 Offsetting collections credited to expired accounts	303	0	0
4060 Additional offsets against budget authority only (total)	588	0	0
4070 Budget authority, net (discretionary)	97,058	107,000	109,916
4080 Outlays, net (discretionary)	90,714	146,644	109,624
4180 Budget authority, net (total)	97,058	107,000	109,916
4190 Outlays, net (total)	90,714	146,644	109,624

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0102-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1	40,741	49,815	51,625
11.3	4,390	4,120	4,162
11.5	<u>459</u>	<u>410</u>	<u>524</u>
11.9	45,590	54,345	56,311
12.1	12,565	14,834	15,788
21.0	962	1,262	1,275
23.1	8,728	8,933	9,254
23.3	250	188	189
24.0	297	300	303
25.2	25,897	30,423	28,377
26.0	295	241	244
31.0	111	26	27
41.00	0	15,591	0
42.00	<u>8</u>	<u>0</u>	<u>0</u>
99.0	94,703	126,143	111,768
99.0	<u>5,046</u>	<u>7,638</u>	<u>8,425</u>
99.9	99,749	133,781	120,193

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-0102-0-1-407	ACTUAL	ENACTED	REQUEST
1001			
Total compensable workyears:			
Full-time equivalent employment	406.00	456.00	466.00
2001			
Reimbursable workyears:			
Full-time equivalent employment	16.00	16.00	27.00



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SUPPLEMENTAL DISCRETIONARY GRANTS FOR A NATIONAL SURFACE TRANSPORTATION SYSTEM,  
RECOVERY ACT

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0106-0-1-401	Actual	Enacted	Request
<b>Change in obligated balance:</b>			
3000 Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	689,593	278,168	52,387
3020 Ob Bal: Outlays (gross)	-406,219	-225,781	-45,468
3040 Total outlays (gross)	-406,219	-225,781	-45,468
3041 Ob Bal: Recov, prior year unpaid obs, exp accts	-5,206	0	0
3050 Obligated balance, end of year	278,168	52,387	6,919
<b>Outlays (gross), detail:</b>			
4011 Outlays from discretionary balances	406,219	224,781	45,468
4190 Outlays, net (mandatory)	406,219	224,781	45,468

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2013 ACTUAL	FY 2014 REQUEST	FY 2015 REQUEST
69-0111-0-1-402			
<b>Obligations by program activity:</b>			
00.01 Compensation for Air Carriers	6,555	0	0
09.00 Total New Obligations	6,555		
<b>Budgetary resources available for obligation</b>			
10.00 Unobligated balance available, Oct 1	6,555	0	0
10.50 Unobligated balance (total)	6,555	0	0
<b>Spending authority fm offsetting collections, mandatory:</b>			
19.30 Total Budgetary Resources Available	6,555	0	0
<b>Change in obligated balance:</b>			
30.10 Obligations incurred, unexpired accounts	6,555	0	0
30.20 Outlays (gross)	-6,555	0	0
30.50 Unpaid obligations, end of year	0	0	0
<b>Budget Authority and outlays, net:</b>			
41.00 Outlays from new discretionary authority	0	0	0
41.01 Outlays from discretionary balances	6,555	0	0
41.10 Outlays, gross (total)	6,555	0	0
41.80 Budget authority, net (disc. and mand.)	0	0	0
41.90 Outlay, net (total)	6,555	0	0

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

COMPENSATION FOR AIR CARRIERS

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 REQUEST	FY 2015 REQUEST
69-0111-0-1-402			
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>6,555</u>	<u>0</u>	<u>0</u>
99.9 Total obligations	6,555	0	0

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**FINANCIAL MANAGEMENT CAPITAL**

**What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$4,729	\$7,000	\$5,000	-\$2,000
<b>TOTAL</b>	<b>\$4,729</b>	<b>\$7,000</b>	<b>\$5,000</b>	<b>-\$2,000</b>

**STAFFING**

Direct Positions	0	0	0	0
Direct FTEs	0	0	0	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

Financial Management Capital is requesting \$5 million in FY 2015 to complete the mission outlined on the following pages.

## Detailed Justification for Financial Management Capital

### What Is This Program/Activity?

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The Financial Systems Modernization (FSM) initiative is in the final phase of a major financial management improvement and modernization effort by the Department of Transportation (DOT). This multi-year project, which supports the **Organizational Excellence** strategic goal, will be finishing the initiative through modernizing DOT's financial system, Delphi, with a new reporting solution.

The FSM initiative is led by the Office of the Assistant Secretary for Budget and Programs, and Chief Financial Officer (CFO) and includes full participation and support from each Operating Administration (OA) to ensure success of the project.

### FY 2014 Anticipated Accomplishments

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DOT plans to complete the upgrade of the Department's core financial management system, Delphi, from Oracle version 11.5.10 to version 12. During FY 2014, the Department will complete user acceptance testing and will deploy training to the users. Along with the deployment of R12, DOT will fully comply with the requirements of Homeland Security Presidential Directive 12 (HSPD-12).

### Why Is This Particular Program Necessary?

---

Purpose and Benefits of FSM. The FSM initiative is a priority for DOT because it will provide a financial management infrastructure (procedures, systems, and reporting capabilities) that will assist the Department in meeting complex financial management stewardship responsibilities to comply with internal and external requirements. As Delphi is upgraded to R12, the current reporting solution remains the same. The current reporting solution, Discoverer, is in its final release and support for Discoverer will be discontinued within the next few years. Through the deployment of a new reporting solution, DOT will better position itself to comply with Federal laws, regulations and standards, including:

- the Federal Financial Management Integrity Act (FFMIA),
- the Federal Managers' Financial Integrity Act (FMFIA),
- the Federal Information Security Management Act (FISMA),
- OMB requirements, and
- the Government Accountability Office (GAO) standards for internal control in the Federal Government.

In addition to complying with reporting requirements from external agencies, an improved reporting tool will provide program managers with better financial information to use in managing their programs.

Timeframe for Key Outcomes. The first phase of the FSM initiative was a global grants payment solution rolled-out in mid-2012. The transition to the Oracle Core Financials Release

12 is scheduled for FY 2014. The final phase of the FSM initiative is the development of an improved reporting solution which will begin in FY 2014 and will be deployed in FY 2016.

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

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The success of the FSM effort is contingent on securing the right mix of people, funding, acquisitions, collaboration, innovation, and project management discipline over the course of the entire project. During the last four years, the FSM leadership has put the foundation in place to attain the FSM vision. The senior governance body – the Executive Leadership Council – has provided regular positive feedback on the initiative’s progress and direction, while teams are reporting success on project plan activities and tasks on an on-going basis.

The FSM long-term strategy is predicated on continual process of system improvement and modernization with milestone expectations throughout the project lifecycle. The initiative is monitored by the project teams, a Project Management Office (PMO), FSM leadership, and governance bodies (beneficiaries) on a continual basis to ensure that the program is working to achieve all intended modernization, standardization, and improvement results.

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

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The FY 2015 budget request includes \$5 million for Financial Management Capital, a reduction of \$2 million from the FY 2014 appropriation. This funding is needed to complete the transition from the current reporting tool to a new reporting solution. This request will allow DOT to complete the final phase of its modernization initiative through the deployment of a new reporting solution.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**FINANCIAL MANAGEMENT CAPITAL**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$4,729</b>	<b>0</b>
<b>FY 2014 Enacted</b>	<b>\$7,000</b>	<b>0</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2014	\$0	
January 2015 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$70	
<b>FY 2015 Baseline Estimate</b>	<b>\$7,070</b>	<b>0</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$2,070	
Program decrease to offset inflation costs and adjust funding to complete the transition to a new reporting solution.		
<b>Total, FY 2015 Request</b>	<b>\$5,000</b>	<b>0</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-0116-0-1-407			
<b>Obligations by program activity:</b>			
00.01 Financial Management Capital	10,895	14,491	5,000
09.00 Total new obligations (object class 25.2)	10,895	14,491	5,000
<b>Budgetary resources available for obligation</b>			
10.00 Unobligated balance available, Oct 1	12,318	7,491	0
10.21 Recoveries of prior year unpaid obligations	339	0	0
10.50 Unobligated balance (total)	12,657	7,491	0
<b>Budget Authority: Appropriations, discretionary:</b>			
11.00 Appropriation	4,990	7,000	5,000
11.30 Appropriation permanently reduced	-261	0	0
11.60 Appropriation, discretionary (Total)	4,729	7,000	5,000
<b>Spending authority from offsetting collections, discretionary:</b>			
17.00 Collected	1,000	0	0
17.50 Total Spending authority	1,000	0	0
19.00 Budget Authority	5,729	7,000	5,000
19.30 Total Budgetary Resources Available	18,386	14,491	5,000
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	7,491	0	0
<b>Change in obligated balance:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	495	1,837	1,400
30.10 Obligations incurred, unexpired accounts	10,895	14,491	5,000
30.20 Outlays (gross)	-9,214	-14,928	-5,400
30.40 Recoveries of prior year unpaid obligations, unexpired	-339	0	0
30.50 Unpaid obligations, end of year (gross)	1,837	1,400	1,000
31.00 Obligated balance, start of year (net)	495	1,837	1,400
32.00 Obligated balance, end of year (net)	1,837	1,400	1,000
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	5,729	7,000	5,000
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	3,226	5,600	4,000
40.11 Outlays from discretionary balances	5,988	9,328	1,400
40.20 Outlays, gross (total)	9,214	14,928	5,400
<b>Offsets against gross budget authority and outlays:</b>			
40.30 Federal sources	-1,000	0	0
40.33 Non-Federal sources	0	0	0
40.40 Offset against gross budget authority and outlays (total)	-1,000	0	0
41.80 Budget authority, net (total)	4,729	7,000	5,000
41.90 Outlays, net (total)	8,214	14,928	5,400



DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0116-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
25.2 Other services	10,895	14,491	5,000

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-0116-0-1-407	ACTUAL	ENACTED	REQUEST
Total compensable workyears:			
1001 Full-time equivalent employment	0	0	0

**OFFICE OF THE SECRETARY OF TRANSPORTATION****OFFICE OF CIVIL RIGHTS****What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$5,995	\$6,650	\$6,776	\$127
Travel	\$66	\$48	\$49	\$0
Other Costs	\$2,833	\$2,853	\$2,775	-\$78
<b>TOTAL</b>	<b>\$8,893</b>	<b>\$9,551</b>	<b>\$9,600</b>	<b>\$49</b>

**STAFFING**

Direct Positions	55	55	55	0
Direct FTEs	41	53	53	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Departmental Office of Civil Rights is requesting \$9.6 million and an estimated 53 FTE's in FY 2015 to accomplish the mission on the pages to follow.

## Detailed Justification for the Office of Civil Rights

### What Is This Program/Activity?

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The Departmental Office of Civil Rights (DOCR) supports the Department of Transportation's **Organizational Excellence** strategic goal. DOCR is responsible for advising the Secretary and Departmental Executive Management on equity, diversity and inclusion in its workforce and in its lines of business. Further, it enforces laws and regulations that prohibit discrimination in federally operated and assisted transportation programs.

DOCR offers oversight and guidance through services that include alternative dispute resolutions, final agency decision-writing, training, disadvantaged business enterprise certification appeals, internal and external policy development, education and quality control, and Equal Employment Opportunity (EEO) compliance and complaint investigations. DOCR also provides its civil rights partners, customers, and stakeholders with business operation and information technology services that enable them to make informed and timely civil rights decisions. Major statutes which DOCR enforces include: Titles VI and VII of the Civil Rights Act of 1964, as amended; Section 504 of the Rehabilitation Act of 1973, as amended; Title II of the Americans with Disabilities Act of 1990; the Equal Pay Act of 1963; and the Age Discrimination in Employment Act of 1967.

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

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

### FY 2014 Anticipated Accomplishments

- Make and report progress against Departmental plans pursuant to Executive Orders 13583, 13555, 13532, 13592, and 13515.
- Monitor and report DOT's progress toward meeting Federal and Departmental civil rights goals.

- Seek to increase the participation of under-represented demographic groups in the DOT workforce by analyzing employee and applicant data, identifying potential barriers to entry for diverse groups and aligning solutions and measures for sustained accountability.
- Improve its policy and quality control processes and practices by (1) researching and defining requirements for an electronic system to manage internal DOCR documents and external correspondence and (2) establishing review timelines and panels for all current and future policies for which DOCR has oversight responsibility.
- Provide External EO training opportunities to employees, stakeholder and customers and expand civil rights awareness by garnering support from new and underrepresented audiences through the communication of critical safety and civil rights information in various languages.
- Render more than 232 DBE appeal decisions during FY 2014.
- Develop and implement an effective dispute resolution program by increasing the use of Alternative Dispute Resolution (ADR) and reducing complaint processing timeframes.

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

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The DOT civil rights program reinforces DOT's commitment toward establishing a high performing organization, attracting and retaining a talented and diverse work force, and creating an environment where employees succeed and meet the challenges of DOT's mission. Equally aligned within the DOT civil rights program is its commitment toward equality for recipients of Federal transportation funding, products and services.

DOCR, through its EEO policy and quality control, education, external civil rights, compliance operations, complaint adjudication and business operation services, provides oversight and guidance, while ensuring agency compliance for all DOT civil rights matters.

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

DOCR provides guidance and direction for federally regulated special emphasis programs that include the National Federal Women's Program, Persons with Disabilities, and Hispanic Employment programs. It partners with the Department's various Offices of Human Resources to oversee a formal program for diversity and inclusion that enhances opportunities for all employees and applicants. DOCR offers guidance and direction to the Department's OAs regarding the implementation of programs that ensure the observance of minority interests and support for equal opportunity in employment activities. All of these programs promote diversity and help to eliminate barriers, raise awareness for employment opportunities, and aid in fostering an appreciation for social and cultural similarities and differences within the Department.

DOCR is required to investigate, review, research and consult on matters in which it proactively advances equal employment opportunities. In doing so, DOCR provides quantitative and qualitative data to staff and civil rights directors, audits DOT OAs' EEO activities, defines and implements strategies and measures for EEO program improvement, supports the Agency's continuous learning initiatives and actively participates in forums and conferences that promote EEO and special emphasis improvements nationally.

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

This program is vital to the Department in monitoring the agency's progress in reaching its diversity goal and devising strategies to maintain the agency's position as a model employer.

**Policy & Quality Control** – DOCR ensures uniform and consistent Department-wide application and implementation of civil rights policies, regulations, statutes, and guidance in accordance with the regulations and guidance provided by the EEOC, U.S. Department of Justice, the Office of Personnel Management, and other Federal agencies.

DOCR serves as a clearinghouse for all DOT civil rights policies, procedures, and guidance that affect the Department; provides advice to the Secretary and his agents to implement policy in the workplace to meet the goals of the enforcing OAs and to maintain a productive model workplace; and serves as the point of contact on Secretarial committees to ensure that the mission of the Department reflects the policies developed by these committees.

DOCR designs, implements, and maintains a comprehensive system of quality control processes and procedures composed of many important aspects. This includes the design and documentation of formal communication; monitoring and reporting on compliance assuring civil rights policies, procedures, and guidance; and implementing Federal laws, statutes, and regulations Department-wide.

**Education** – DOCR provides to DOT employees, civil rights practitioners and stakeholders and the general public, training that raises awareness about key Federal and Departmental civil rights issues, requirements, and initiatives. DOCR implements, manages and sustains a Department-wide internal and external civil rights education program; establishes appropriate internal and external civil rights curriculum and/or guidance for DOT employees, recipients of DOT financial assistance, contractors, and stakeholders; and conducts evaluations of education efforts. The overarching goal of the DOCR Education Program is to identify core requirements, develop curriculum consistency and knowledge sharing across Operating Administrations, standardize instruction development and delivery, and enhance access to Civil Rights materials for all internal and external patrons to facilitate administration of an effective Civil Rights Program.

In order to effectively conduct its civil rights, education, compliance, and oversight services, DOCR employs Federal and contractual support staff versed in establishing, implementing and evaluating civil rights education and training standards. Collectively, these experts provide

guidance and technical assistance to DOT employees and key stakeholders responsible for administering DOT's civil rights programs, and for employees who oversee federally funded transportation and emergency preparedness related programs and services.

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

DOCR is delegated the responsibility for adjudicating and issuing written decisions on administrative appeals filed with DOT by small businesses that have been denied certification, or decertified as a "Disadvantaged Business Enterprise" (DBE) or "Airport Concession Disadvantaged Business Enterprise"(ACDBE) by a highway, transit, or aviation recipient. Resources to support the DBE program are a Department-wide priority.

Many of the appeals received by DOCR are filed by small businesses. During a three year period (FYs 2010, 2011, and 2012), appeals filed by DBE's increased exponentially due in large part to the increased transportation funding extended to recipients through the American Recovery and Reinvestment Act (ARRA) and other transportation infrastructure projects. In determining a firm's eligibility for the program, Federal and experts contracted to DOT analyze tax returns, personal net worth statements of assets and liabilities, financial account statements and documents, and other material submitted by the applicant. This includes information concerning the applicant's assets, personal property, trusts, retirement investments, stocks and bonds, real estate holdings and mortgages, business interests and debts, insurance policies, and other financial documentation to support their personal net worth (PNW) calculation.

DOCR delivers policy advice, guidance and training to recipients of DOT funds and the employees of the Department's various OAs in the following areas: Disadvantaged Business Enterprise Program, Environmental Justice, Limited English Proficiency, and External Discrimination complaint processing. Contractual support of \$150 thousand is used to ensure DOT complies with Federal external civil rights complaint oversight requirements.

The Office of Inspector General investigation identified measures to further enhance the DBE program operations. Effective immediately the DOCR will lead the Department on improving its DBE program functions and processes currently outlined within the Departmental Order for the DBE program. The Department will continue its survey of existing DBE program guidance and training, as well as other training resources and materials related to external civil rights. DOT plans to further improve the administration of the program for recipients by establishing a OneDOT DBE training program that addresses all major program areas including certification reviews and on-site project reviews. The Department has completed its on-line learning center on the DOCR website where all Departmental training related to the DBE program will be posted. Additionally, the Department will identify and implement appropriate performance

measures to gauge the overall effectiveness of the DBE program using metrics to assess whether DOT as a whole is achieving program goals. The Department will examine current oversight practices across the Operating Administrations by implementing best practices, establishing a consistent set of oversight elements for department-wide application, creating a guide to establish expectations for the number of reviews for each fiscal year, and identifying a tracking mechanism to track completion.

**Compliance Operations** – DOCR ensures appropriate and expeditious processing of formal Federal Sector EEO complaints and provides a platform for employees and applicants of DOT to have their civil rights complaints against the Department heard. DOCR has made significant contributions toward EEO compliance by raising processing expectations, providing training that enhances the knowledge of staff responsible for processing formal complaints, and leveraging technology features that support consistency, accuracy and timeliness.

DOCR uses contractors to augment its internal staff of EEO investigators, counselors and final agency decision renderers. Additionally, DOCR instituted electronic systems to aid in the tracking of cases and ultimately in the filing of EEO complaints electronically. These actions have reduced the overall processing time on formal complaints filed by DOT employees, former employees and applicants for employment. The average processing time for formal EEO complaints filed against the DOT is 140 days, which is well below the 180 day regulatory timeframe.

The Compliance Operations Division plans to reduce the processing times further by aggressively incorporating alternative dispute resolution (ADR) methods and related services into its business model. The division will partner with other DOT organizations to oversee ADR services provided for internal and external customers seeking to prevent or resolve conflicts. ADR services currently provide customers with additional methods for addressing personal and professional differences that hinder the organization's ability to provide and oversee its transportation related mission and programs. The ADR services are integral to effective conflict management, and reducing formal internal and external complaints filed against the Department.

DOT's emphasis is placed on the EEO processing stages that support the issuance of timely reports of investigations, hearing records, and appeals. These essential services enable DOCR to reduce EEO complaint processing times by maintaining an EEO complaint processing steady state consistent with the timeline established in 29 C.F.R. §1614. The Department must maintain compliance with these governing regulations to ensure that applicants, current and former employees of the DOT have access to a neutral venue to have their complaints of alleged discrimination addressed. Contractual support of \$550 thousand is used to support DOCR's compliance program. Without this contractual support, current and former employees and applicants alleging discrimination would see a significant increase in the time frame for processing their complaints, and some allegations could go unresolved.

**Complaints Adjudication & Program Evaluation** – DOCR issues Final Agency Decisions (FAD) in employment discrimination complaints filed against DOT. FADs are prepared by Federal employees and contractors based on an analysis of complaint investigative files and applying EEO case law. The FAD program function is required by regulation, 29 C.F.R. § 1614.

Contractual support of \$100 thousand is used for technical experts who work with Federal staff to prepare Final Agency Decisions.

**Information Technology and Business Operations** – DOCR provides administrative and technical support services to its personnel, stakeholders and various civil rights customers. These services include financial management, information technology support, along with coordinated human resources, facilities management, procurement, records management, printing/graphics and security support.

DOCR also oversees the implementation and delivery of various civil rights tools that enhance product and service delivery. These products and services enable the organization to attract and retain the most qualified civil rights personnel and to provide them with the tools necessary to effectively implement and oversee the Department's civil rights program. These products and services enable civil rights practitioners and customers outside of DOCR to identify potential discriminatory risks that immediately raise the level of attention required by DOT Civil Rights leaders and program managers.

DOCR manages various civil rights and administrative software applications and databases supporting its automated business environments. It's Federal and contract staffs work exclusively with various tracking systems developed to support each civil rights initiative and all associated annual reporting requirements. The staff implements various automated services to aid in disseminating information to support the organization's commitment to transparency, awareness and preparation. The IT services ultimately ensure that DOT civil rights practitioners are informed and prepared to make timely and accurate decisions.

DOCR manages the records management and records retention program under the guidance of the Federal Records Act of 1950, which require it to implement and maintain secure and comprehensive electronic civil rights records. Federal Rules of Civil Procedure (FRCP), Sarbanes-Oxley, and other recent regulations mandate resource intensive processes for administering electronically stored information that are frequently produced for the courts when required.

DOCR implements inter-agency agreements and contracts to support the organization's national civil rights IT infrastructure and various administrative responsibilities. DOCR established physical and virtual facilities for regional employees located throughout the country that are consistent with the facilities provided to employees in its headquarters location. These financial agreements also support service needs such as telecommunications, IT support, administrative support, procurement support, mail collection, monitoring and delivery, physical and cyber security technical experts, employee transit benefit assistance, supplies, equipment, and printing. Through its business endeavors DOCR has been able to maintain a highly effective civil rights working environment. Contract support of \$928 thousand is used to provide these administrative and technical support services.



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

The FY 2015 budget request includes changes from FY 2014 for the following items:  
(1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase as well as an estimated 53 FTEs and associated costs.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**OFFICE OF CIVIL RIGHTS**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$8,893</b>	<b>41</b>
<b>FY 2014 Enacted</b>	<b>\$9,551</b>	<b>53</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$17	
Annualization of New Positions Requested in FY 2014	\$0	
January 2015 Pay Raise	\$50	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$44	
FERS and FEHB Increases	\$56	
Inflation	\$18	
<b>FY 2015 Baseline Estimate</b>	<b>\$9,736</b>	<b>53</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$136	<b>0</b>
Program decrease to offset pay-raise, inflation costs, and other baseline changes to adjust to the 2015 funding level.		
<b>Total, FY 2015 Request</b>	<b>\$9,600</b>	<b>53</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-0118-0-1-407			
<b>Obligations by program activity:</b>			
00.01 Office of Civil Rights	8,337	9,551	9,600
09.00 Total new obligations	8,337	9,551	9,600
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
11.00 Appropriation	9,384	9,551	9,600
11.30 Appropriation permanently reduced	-491	0	0
11.60 Appropriation, discretionary (Total)	8,893	9,551	9,600
19.00 Budget Authority (total)	8,893	9,551	9,600
19.30 Total Budgetary Resources Available	8,893	9,551	9,600
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring	556	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	2,311	2,106	954
30.10 Obligations incurred, unexpired accounts	8,337	9,551	9,600
30.11 Obligations incurred, expired accounts	56	0	0
30.20 Outlays (gross)	-8,332	-10,702	-9,594
30.41 Recoveries of prior year unpaid obligations, expired	-265	0	0
30.50 Unpaid obligations, end of year (gross)	2,106	954	960
<b>Uncollected payments:</b>			
30.60 Uncollected cust pymts, brought forward Oct. 1	25	0	0
30.71 Change in uncollected cust pymts, Fed sources, expired	-25	0	0
30.90 Change in uncollected pymts, Fed sources, unexpired	0	0	0
31.00 Obligated balance, start of year (net)	2,336	2,106	954
32.00 Obligated balance, end of year (net)	2,106	954	960
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	8,893	9,551	9,600
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	7,049	8,596	8,640
40.11 Outlays from discretionary balances	1,283	2,106	954
40.20 Outlays, gross (total)	8,332	10,702	9,594
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
40.30 Federal sources	-1	0	0
40.33 Non-Federal sources	0	0	0
40.40 Total offsetting collection (cash)	-1	0	0
<b>Additional offsets against gross budget authority only:</b>			
40.50 Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
40.52 Offsetting collections credited to expired accounts	1	0	0
40.60 Additional offsets against gross budget authority only (total)	1	0	0
41.80 Budget authority, net (total)	8,893	9,551	9,600
41.90 Outlays, net (total)	8,331	10,702	9,594

Section 3 - FY 2015 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code		FY 2013	FY 2014	FY 2015
69-0118-0-1-407		ACTUAL	ENACTED	REQUEST
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	4,048	5,159	5,211
11.3	Other than full-time permanent	66	76	77
11.5	Other personnel compensation	10	0	0
11.9	Total personnel compensation	4,124	5,236	5,288
12.1	Civilian personnel benefits	1,097	1,414	1,488
21.0	Travel and transportation of persons	38	48	49
22.0	Transportation of things	0	0	0
23.1	Rent Payments to GSA	0	0	0
23.3	Communications, utilities and misc.	12	29	29
24.0	Printing	0	11	11
25.0	Other contractual services	917	0	0
25.1	Advisory and assistance	1,271	655	525
25.2	Other services	331	200	202
25.3	Other goods and services from Federal source	181	1,034	1,076
25.7	Operation and maintenance of equipment	300	823	830
26.0	Supplies and materials	34	51	51
31.0	Equipment	29	51	51
42.0	Insurance claims and indemnities	3	0	0
99.9	Total obligations	8,337	9,551	9,600

PERSONNEL SUMMARY

Identification Code		FY 2013	FY 2014	FY 2015
69-0118-0-1-407		ACTUAL	ENACTED	REQUEST
1001	Total compensable workyears:			
	Full-time equivalent employment	41	53	53

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**MINORITY BUSINESS OUTREACH**

**What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$528	\$574	\$583	\$10
Travel	\$17	\$40	\$41	\$0
Other Costs	\$2,363	\$2,474	\$2,475	\$0
<b>TOTAL</b>	<b>\$2,908</b>	<b>\$3,088</b>	<b>\$3,099</b>	<b>\$11</b>

**STAFFING**

Direct Positions	4	4	4	0
Direct FTEs	3	4	4	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Minority Business Outreach Program is requesting \$3.099 million and an estimated 4 FTEs to accomplish the mission outlined on the pages that follow.

## Detailed Justification for the Minority Business Outreach

### What Is This Program?

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The Minority Business Outreach (MBO) supports the **Economic Competitiveness** Strategic Goal by working to ensure targeted contractual levels for the small, minority, women-owned and disadvantaged business enterprises (DBEs) are met. Specifically, the MBO program funds activities to increase the number of small businesses that are prepared to compete for, and enter into, transportation-related prime and subcontract opportunities with DOT and DOT-funded contracts or grants for transportation-related projects throughout the country. It is managed by the Office of Small and Disadvantaged Business Utilization.

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

The SBTRC program assists the small business community through an array of services that include:

**Technical Assistance** to assist small businesses with certifications, such as DBE, 8(a), HUBZone, women-owned small businesses and service disabled veteran- owned small businesses. The SBTRC program plans and presents Short Term Lending Program (STLP) workshops for small businesses, to provide opportunities to obtain short-term working capital at reasonable interest rates for DOT and DOT-funded transportation-related contracts, and have local bank participation in the sessions.

**Bonding Education Program (BEP)** to enhance and further the opportunity for small and disadvantaged business enterprises to obtain bid, performance and payment bonds for transportation-related contracts originating from the USDOT, its grantees, recipients, and their contractors and subcontractors. The BEP, which is conducted in partnership with the surety industry, is an all-inclusive, hands-on multi-component program. It consists of a local transportation industry stakeholder meeting, a six to ten week core competency training curriculum designed to identify and individually address the factors of a business' bondability, and the pairing of the participating contractor with the bonding agent who will work with them one-on-one to assemble the materials necessary for a complete bond application and addresses any omissions or deficiencies that may impede the successful underwriting of a bond.

**Women and Girls in Transportation Initiative (WITI)** to encourage girls to pursue careers in science, engineering, technology and transportation-related fields and help women in these fields to achieve their goals. Formerly known as the Entrepreneurial Training and Technical Assistance Women and Girls Program, the WITI Program will continue to grow and expand its focus areas

to include more resources and services that will be provided to women and girls in science, engineering, technology and transportation related fields. The WITI Program has 5 major functional areas that will be used to attract women and girls into science, engineering, technology and transportation related fields. Those major operating areas include: Outreach, Partnerships, Internships, Business Development and Advisory Committee. The program will continue to be administered by the SBTRCs.

In addition to the SBTRCs, OSDBU operates the National Information Clearinghouse (NIC). The NIC publishes and distributes information on: (1) DOT contracting opportunities, its procurement practices, and how to market to DOT; (2) DOT-assisted contracting opportunities, through contracts and grants, to State and local transportation projects; (3) DOT financial assistance programs; and (4) market research through print media, the OSDBU web-site and toll-free number. The NIC also provides statistical and program feedback on OSDBU lending, technical assistance and procurement programs.

**Anticipated FY 2014 Accomplishments:**

- Continue to ensure small and disadvantaged businesses are provided with the education and resources needed to successfully compete for and participate on federally funded transportation contracts.
- Enhance the efficiency, effectiveness and follow-up activities of the SBTRCs.
- Increase by 10 percent the number of businesses served from 1,000 in FY 2013 to 1,100 in FY 2014.
- Increase by 20 percent the number of workshops delivered to small and disadvantaged businesses from 140 in FY 2013 to 160 in FY 2014.

Performance Measures:

The performance of the Minority Business Outreach will be evaluated against the following measures as listed in Ex. III-2:

Economic Competitiveness:

Increase percent of total dollar value of DOT direct contracts awarded to small disadvantaged businesses. The FY 2015 target is 15%.

Increase percent of total dollar value of DOT direct contracts awarded to women-owned businesses. The FY 2015 target is 6%.

**Why Is This Particular Program Necessary?**

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The MBO program is necessary to facilitate economic competitiveness through a domestic and global transportation system that enables economic growth and development through the expansion of opportunities for small and disadvantaged businesses. These small businesses routinely develop, manufacture and distribute quality products to the private sector, but continue

to face significant hurdles participating in procurement opportunities with the Federal Government. To help these entrepreneurs have a fair opportunity to compete, procurement targets have been established for the Federal Government to help overcome the barriers to success for women-owned businesses and DBEs.

The MBO program funds many of the major initiatives that OSDBU operates to help small and disadvantaged businesses. By continuing MBO funding, OSDBU can further expand and create programs to help small businesses compete and win transportation-related contracts. OSDBU serves as the Department's chief advocate for small and disadvantaged businesses. The MBO is at the core of OSDBU's mission and is vital to achieving the goals for small business contracting set by Congress and the SBA. Without a well-funded MBO program, OSDBU would not be able to satisfactorily serve the nation's transportation-related small businesses, which play a key role in building and maintaining the country's infrastructure as well as contributing to the economic recovery.

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

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

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

Outreach/Conference Participation:

April 2013:

- OSDBU Small Business Specialist participated in one-on-one meetings at the Americas Small Business Summit. This event was hosted by the U.S. Chamber of Commerce and The Latino Coalition. The Small Business Specialist provided guidance to small business owners regarding opportunities at the local, state and Federal level. Discussions included how to do business with DOT, get certified in the Disadvantaged Business Enterprise (DBE) and small business programs, eligibility to participate in OSDBU's Short Term Lending Program, and take advantage of OSDBU Procurement Assistance. There were over 2000 participants in attendance.
- OSDBU staff participated in the 23<sup>rd</sup> Annual Government Procurement Conference is a national conference fostering business partnerships between the Federal Government, its prime contractors, and small, minority, service-disabled veteran-owned, veteran-owned, HUBZone, and women-owned businesses. The one-day event attracts more than 3,000 people including over 500 government attendees representing 50 Federal, State and local agencies. The OSDBU Small Business Specialist participated in exhibiting and networked with small businesses providing them with information regarding OSDBU Programs. He also participated in the business matchmaking session where he was able to



meet with seven small businesses that provide products and services in the following industries: Janitorial Services, Investigations, Network and Software Integration, Management Consulting, Staffing Services, Acquisition Management, Information Technology Sustainability.

March 2013:

- The West Central SBTRC Project Director attended a meet and greet for Veterans, hosted by Office of Personnel Management (OPM). The West Central SBTRC provided information about the Women and Girls in Transportation Initiative (WITI) to women that are in the Wounded Warriors Program, Helmets to Hardhats Program and the E2I (Education, Employment Initiative). There were approximately 2000 veterans from Fort Carson, Colorado that participate in these programs.

November 2012:

- Great Lakes Region SBTRC staff participated as an exhibitor and workshop facilitator at the Chicago 2012 Transportation Symposium. The symposium included panels of area transportation professionals and workshops for approximately 400 participants throughout the day. This major transportation symposium was attended by the major transportation agencies in Illinois, including the Illinois Department of Transportation, Illinois Toll-way, Chicago Transit Authority, METRA, PACE, and the Chicago Department of Transportation and Aviation. The Great Lakes Region SBTRC presented the Short Term Lending Program to an audience of approximately 30 businesses. The Great Lakes SBTRC was also able to provide one-on-one consultations to a variety of DBEs throughout the day.
- The West Central Region SBTRC hosted a procurement one-on-one consultation event to a group of over 25 DBEs in Denver, CO. The SBTRC staff was able to connect the DBEs directly with numerous prime contractors also in attendance. The purpose of the event was to bring subcontractors and prime contractors to discuss upcoming subcontracting opportunities in the Denver Metro area.

The data that follows was collected from the SBTRCs' October 2012 through March 2013 quarterly reports and demonstrates the commitment to ensuring the small business community is provided adequate support. These activities contribute to OSDBU's ability to meet or exceed the two performance measure targets.

**SBTRC QUARTERLY REPORT**

<b>QUARTER:</b>	<b>Oct – Dec 2012</b>	<b>Jan – March 2013</b>	<b>Totals</b>
<b>COUNSELING ACTIVITY:</b>			
New Appointments	242	283	525
Follow-up Appointments	398	353	751
Phone Inquiries	89	290	379
E-Mail Inquiries	237	648	885
Counseling Hours	785	903	1688
<b>Total</b>	<b>1751</b>	<b>2477</b>	<b>4228</b>
<b>BUSINESSES SERVED:</b>			
DBE	1017	425	1442
8a	42	341	383
WOB	54	236	290
HubZone	9	24	33
SDB	60	131	191
SDVOB	16	483	499
Non-Certified Business	386	132	518
<b>Total</b>	<b>1584</b>	<b>1772</b>	<b>3356</b>
<b>MARKETING:</b>			
Events Attended:	57	66	123
As an attendee	13	23	36
As an exhibitor	17	20	37
As a panelist/presenter	12	19	31
Email Blast	5	4	9
<b>Total</b>	<b>104</b>	<b>132</b>	<b>236</b>
<b>MEETINGS:</b>			
With DOT reps (state)	38	56	94
With DOT reps (regional)	22	36	58
With Other Agencies	14	0	14
<b>Total</b>	<b>74</b>	<b>92</b>	<b>166</b>
<b>EVENTS HOSTED:</b>			
DBE Workshop	11	31	42
STLP Workshop	1	6	7
One-on-One Matchmaking	10	1	11
Other Workshops	4	0	4
<b>Total</b>	<b>26</b>	<b>38</b>	<b>64</b>
<b>Bonding Education Program (BEP)</b>			
Participants	48	172	220
Bonding Capacity Obtained by Participants	\$1.7 million	\$29.5 million	\$31.2 million
<b>Short Term Lending Program (STLP)</b>			
Loans Approved/Activated	3	0	3
Total Loan Amount	595,000	0	595,000

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase and an estimated 4 FTE and associated costs.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**MINORITY BUSINESS OUTREACH**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$2,908</b>	<b>3</b>
<b>FY 2014 Enacted</b>	<b>\$3,088</b>	<b>4</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$1	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$4	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$1	
FERS and FEHB Increases	\$4	
Inflation	\$5	
<b>FY 2015 Baseline Estimate</b>	<b>\$3,104</b>	<b>4</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$5	<b>0</b>
<b>Total, FY 2015 Request</b>	<b>\$3,099</b>	<b>4</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS OUTREACH

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0119-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001	2,997	3,088	3,099
0002	550	7,953	0
0900	3,547	11,041	3,099
<b>Budgetary resources available for obligation:</b>			
1000	7,041	7,953	0
1021	1,551	0	0
1050	8,592	7,953	0
<b>Budget authority:</b>			
<i>Appropriation, discretionary:</i>			
1100	3,068	3,088	3,099
1130	-160	0	0
1160	2,908	3,088	3,099
1900	2,908	3,088	3,099
1910	11,500	11,041	3,099
Memorandum (non-add) entries:			
1940	29	0	0
1941	7,982	0	0
<b>Change in obligated balances:</b>			
3000	3,667	2,068	574
3010	3,547	11,041	3,099
3011	5	0	0
3020	-3,254	-12,535	-3,098
3040	-1,551		
3041	-346		
3050	2,068	284	284
3100	3,667	2,068	574
3200	2,068	284	284
<b>Budget authority and outlays, net:</b>			
<b>Discretionary:</b>			
4000	2,908	3,088	3,099
<b>Outlays (gross), detail:</b>			
4010	625	2,779	2,789
4011	2,629	9,756	309
4020	3,254	12,535	3,098
4180	2,908	3,088	3,099
4190	3,254	12,535	3,098

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
MINORITY BUSINESS OUTREACH

OBJECT CLASSIFICATION  
(In Thousands)

Identification Code 69-0119-0-1-407	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
Direct obligations:			
11.0 Personnel compensation	346	468	472
12.1 Civilian benefits	84	106	111
21.0 Travel and transportation of persons	27	40	41
22.0 Transportation of Things	2	0	0
23.0 Rent, Communications & Utilities	0	1	1
24.0 Printing	0	3	3
25.1 Other Services	479	0	0
25.2 Other Services	0	460	459
25.3 Other Services	0	60	61
26.0 Supplies & Materials	4	22	22
41.0 Grants, subsidies and contributions	2,603	9,882	1,929
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	3,545	11,041	3,099

PERSONNEL SUMMARY

Identification Code 69-0119-0-1-407	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	4	4	4

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**INTERAGENCY PERMITTING IMPROVEMENT CENTER (IPIC)**

**What Is The Request and What Will We Get For the Funds?**

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(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$0	\$0	\$762	\$762
Travel	\$0	\$0	\$25	\$25
Other Costs	\$0	\$0	\$7,213	\$7,213
<b>TOTAL</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$8,000</u></b>	<b><u>\$8,000</u></b>

**STAFFING**

Direct Positions	0	0	7	7
Direct FTEs	0	0	4	4
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

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The Interagency Permitting Improvement Center (IPIC) is requesting \$8 million and 4 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for the Interagency Permitting Improvement Center**

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

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The Department requests funding for a new Interagency Permitting Improvement Center to be administratively located within the Office of the Under Secretary of Transportation for Policy and reporting to an Infrastructure Permitting Steering Committee chaired by the Office of Management and Budget (OMB) in consultation with the Council on Environmental Quality (CEQ). The Center will work to cut infrastructure permitting and review timelines by producing a faster, more efficient process, while also producing measurably better outcomes. The Center will oversee implementation of government-wide reforms, perform detailed policy analysis and provide recommendations for additional reforms, and track and report metrics related to timeliness and environmental and community outcomes.

For FY 2015, the Department requests \$8,000,000 to establish an Interagency Permitting Improvement Center (IPIC). The IPIC will be administratively housed within the Office of the Under Secretary for Transportation for Policy and report to the interagency Infrastructure Permitting Steering Committee, to ensure a government-wide perspective and an ability to implement reforms across multiple Departments and agencies. By taking a coordinated, government-wide approach to reform efforts, the IPIC will drive cross-cutting efficiencies in Federal permitting and review, resulting in a more immediate impact on regional economies while producing better outcomes for communities and the environment.

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

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Building a twenty-first century infrastructure in a manner that safeguards our communities and the environment is an important component of the Administration's effort to strengthen our Nation's economy, create new jobs, and improve U.S. competitiveness in the global market. Safe, reliable, and resilient infrastructure will bring immediate and long-term economic benefits to communities across the country and further our Nation's efforts to secure energy independence and maintain our competitive edge in a global economy.

Federal agencies play an important role in the review of proposed projects under federal jurisdiction, ensuring that they are processed efficiently such that, if approved, they can be built in a timely, safe, and responsible manner. This includes considering and disclosing potentially adverse impacts to the environment and communities such that they can be avoided, minimized, or otherwise mitigated, consistent with applicable laws. It is important that reviews be conducted both rigorously and efficiently.

The Administration is committed to advancing a comprehensive effort to modernize the project review and permitting process to maximize efficiency while balancing important economic, environmental, and social considerations associated with different projects. The IPIC will play a critical role in this modernization effort, by providing government-wide coordination, analytical, and implementation capacity – building on a successful approach that has been recently piloted within OMB. Specifically, the IPIC will work to implement the Implementation Plan produced



in response to the Presidential Memorandum on Modernizing Infrastructure Permitting (the Plan), developed through an interagency process with feedback from industry, non-governmental organizations, Congress and other stakeholders. This plan recommends reforms including institutionalizing interagency coordination and transparency of reviews, improving project planning and improving synchronization of separate Federal reviews, streamlining and reforming the permitting and review process, and promoting innovative mitigation approaches. The IPIC will coordinate across all Federal agencies with equities in the permitting and review process and work in the infrastructure sectors identified by the President in his Executive Order 13604 that include: surface transportation; aviation; ports and related infrastructure; water resources projects; renewable energy generation; conventional energy production in high-demand areas; electricity transmission; broadband; pipelines; storm water infrastructure; and other sectors as determined by the Steering Committee.

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

The FY 2015 \$8,000,000 budget request will be used for 4 FTEs and associated costs and will be made available for reform development and implementation activities. This level of funding is needed to hire experts in permitting and reviews to implement the reforms identified by the Plan as well as identify additional reforms needed to modernize Federal permitting and reviews. Funds will also support fellows from other agencies to ensure the needed interagency and regional expertise is maintained. The IPIC will continue to test, refine, and implement process reforms over the course of several years. Activities include:

- Targeted technical assistance, training, outreach related to reform implementation across over a dozen agencies and bureaus, as well as state, local and tribal governments.
- Developing crosscutting tools and resources for both agencies and project applicants.
- Conducting research and piloting new policies, such as approaches for conducting environmental analysis, including analysis of mitigation options.
- Conducting end-to-end process mapping and drive process transformation across agencies.
- Developing new policy improvements and process reform recommendations.
- Developing metrics, data collection and reporting, including in conjunction with development and oversight of the Infrastructure Permitting Dashboard.

In addition, funding will be made available to develop and deploy information technology tools that enhance the interagency coordination on major infrastructure projects, provide greater transparency on the process, facilitate better project planning and track and report on performance metrics related to the effort. This will include updating and expanding the Infrastructure Permitting Dashboard to track more projects and provide greater transparency and accountability to project proponents and the public for major infrastructure projects. The IPIC will also explore other opportunities to develop digital tools to help modernize project review and approval processes across agencies.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**INTERAGENCY PERMITTING IMPROVEMENT CENTER**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$0</b>	<b>0</b>
<b>FY 2014 Enacted</b>	<b>\$0</b>	<b>0</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
<b>FY 2015 Baseline Estimate</b>	<b>\$0</b>	<b>0</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$8,000</u>	<u>4</u>
Funding is requested to establish the Interagency Permitting Improvement Center which will consist of 7 FTPs. The funding will also be made available to develop and deploy information technology tools that enhance the interagency coordination on major infrastructure projects, provide greater transparency on the process, facilitate better project planning and track and report on performance metrics related to the effort; and updating and expanding the Infrastructure Permitting Dashboard to track more projects and provide greater transparency and accountability to project proponents and the public for major infrastructure projects.		
<b>Total, FY 2015 Request</b>	<b>\$8,000</b>	<b>4</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

INTERAGENCY PERMITTING IMPROVEMENT CENTER

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0126-0-1-401	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001 Intteragency Infrastructure Permitting Improvement Center	0	0	8,000
0900 Total new obligations (object class 25.2)	0	0	8,000
<b>Budgetary Resources:</b>			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	0	0	8,000
1160 Appropriation, discretionary (total)	0	0	8,000
1930 Total budgetary resources available	0	0	8,000
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3010 Obligations incurred, unexpired accounts	0	0	8,000
3020 Outlays (gross)		0	-7,200
Obligated balance, end of year (net):			
3050 Unpaid obligations, end of year (gross)	0	0	800
3200 Obligated balance, end of year (net)	0	0	800
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000 Budget authority, gross	0	0	8,000
Outlays, gross:			
4010 Outlays from new discretionary authority	0	0	7,200
4180 Budget authority, net (total)	0	0	8,000
4190 Outlays, net (total)	0	0	7,200

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
INTERAGENCY PERMITTING IMPROVEMENT CENTER

OBJECT CLASSIFICATION  
(In Thousands)

Identification Code	FY 2013	FY 2014	FY 2015
69-0126-0-1-401	ACTUAL	ENACTED	REQUEST
Direct obligations:			
11.0 Personnel compensation	0	0	583
12.1 Civilian benefits	0	0	178
21.0 Travel and transportation of persons	0	0	25
22.0 Transportation of Things	0	0	0
23.0 Rent, Communications & Utilities	0	0	1
24.0 Printing	0	0	0
25.1 Other Services	0	0	6,973
25.2 Other Services	0	0	0
25.3 Other Services	0	0	230
26.0 Supplies & Materials	0	0	10
41.0 Grants, subsidies and contributions	0	0	0
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	0	0	8,000

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-0162	ACTUAL	ENACTED	REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	0	0	4

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**TRANSPORTATION PLANNING RESEARCH AND DEVELOPMENT**

**What Is The Request and What Will We Get For the Funds?**

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(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$4,832	\$5,425	\$5,519	\$93
Travel	\$161	\$153	\$155	\$2
Other Costs	\$3,537	\$1,421	\$2,326	\$905
<b>TOTAL</b>	<b><u>\$8,529</u></b>	<b><u>\$7,000</u></b>	<b><u>\$8,000</u></b>	<b><u>\$1,000</u></b>

**STAFFING**

Direct Positions	33	33	33	0
Direct FTEs	25	32	32	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

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The Transportation, Research, Planning and Development Program is requesting \$8.0 million and an estimated 32 FTEs in FY 2015 to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for Transportation Planning, Research and Development**

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

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The Transportation Planning, Research and Development (TPR&D) appropriation finances research, development, analysis, technical assistance, and program oversight, activities needed to support the Secretary's responsibilities in implementing the Department's multimodal programs, formulating national and international transportation policies, and supporting Administration initiatives in which transportation plays a critical role.

In FY 2015, TPR&D will support the **Economic Competitiveness, Quality of Life in Communities, Environmental Sustainability, and Safety** Strategic Goals. The activities will support the development of transportation policy; coordination of national and international transportation planning; analysis of methods of increasing the economic efficiency of transportation; development and coordination of intermodal and multi-modal issues that are not the responsibility of any one modal agency; analysis of the value of transportation safety improvements; analysis of more efficient ways of maintaining a state of good repair for infrastructure; regulatory modernization; energy conservation; freight movement; and environmental impacts of transportation; aviation economic policy; sustainable transportation; and international transportation issues.

### **FY 2014 Anticipated Program Accomplishments:**

- The Secretary's objectives to promote economic competitiveness in aviation transportation policies and investments that bring lasting and equitable economic benefits to the Nation will be implemented. This includes an evaluation of a proposed merger between American Airlines and US Airways and two applications for antitrust immunity and continuation and expansion of cooperation with regulatory authorities on a variety of competition issues including mergers and alliances between U.S. and foreign airlines with the European Union, Japan, India, Australia, and others. A groundbreaking internal study of the competitive impact of airline alliances and joint venture on competition in transatlantic markets will be completed as well as a commissioned independent econometric study from independent economists using data collect from the airlines by the Department.
- The first phase of an ongoing research project initiated in FY 2013 on developing a Freight Demand Model will be completed. This will improve our ability to estimate benefits and costs of freight-related transportation investments. The results of this research will be incorporated into the Department's guidance for the conduct of infrastructure-related benefit-cost analysis. A research project initiated in FY 2013 to analyze how U.S. export flows are affected by bottlenecks in non-highway transportation modes such as rail, ports, water, and air will also be completed.

- The Department's and Administration's goals will be advanced by developing and implementing initiatives with foreign governments at the highest diplomatic/transportation levels. Participation of the Secretary, Deputy Secretary, Under Secretary, or Assistant Secretary in these initiatives will require an estimated 75 annual international trips, meetings, and related events. We will also establish at least 14 capacity-building programs to train International transportation counterparts to orient them to U.S. standards and technology, thus heightening the competitiveness of U.S. transportation companies in international trade. We anticipate implementing special programs featuring technical exchange with China, Brazil, India and other National Export Initiative countries, including special technical exchange missions with U.S. companies. We will advance critical transportation support for the President's U.S. Strategy toward Sub-Saharan Africa. We expect to implement a special program supporting women in transportation in the Asia-Pacific Region. We also expect to continue our technical cooperation under the International Transport Forum and our involvement in Asia-Pacific Economic Cooperation (APEC) and the African Growth and Opportunity Forum (AGOA).
- Efforts to open up opportunities in international markets for commercial airline services through the negotiation of Open-Skies aviation agreements will continue. In addition, work will be executed to complete the business aviation initiative in APEC to establish an economic regulatory approach. This will provide the operating flexibility necessary for this sector to develop and to expand the initiative either bilaterally or regionally in Africa and Latin America.
- The Centers for Disease Control partnership will support the consideration of public health goals in transportation decision-making. The project will develop a resource to assist transportation and health officials in understanding how their jurisdiction's current transportation policies and programs align with public health goals. Similarly, a research project was funded to conduct five case studies of local social and economic benefits associated with building livable communities, including economic development, public cost savings, business benefits, community service fees, and tax payments in communities that have adopted livability strategies.
- A partnership with USEPA and HUD will assist Governors and their staff in implementing policies and practices that encourage better growth and development, helping each Governor to address his or her particular priorities.
- Contribution to the continued operation and maintenance and targeted improvements to the Federal Permitting Infrastructure Dashboard and the supporting MAX.gov system will help ensure greater transparency and accountability among Federal agencies. Federal agencies will conduct their permit and review actions on critical infrastructure projects under EO 13604 while seeking optimal outcomes for the communities they serve and the environment.

Performance Measures:

The performance of the TPR&D appropriation will be evaluated against the following measures as listed in Exhibit III-2:

Economic Competitiveness:

- Establish or participate in 14 technology transfer and capacity building programs to improve training opportunities for international transport ministries to U.S. transportation standards and technologies.
- Reach three (3) or more new bilateral and multilateral aviation agreements to remove market distorting barriers to trade transportation (OST/Aviation and International Affairs).
- Advance DOT goals with foreign governments through the conduct of at least 75 annual international meetings, conferences, and other events at the Secretary, Deputy Secretary, Under Secretary Level, or Assistant Secretary level (OST/Aviation and International).

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

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TPR&D research, analysis and project development serves a variety of functions. One function is to provide the data and assessment tools necessary to determine how key programs, and transportation communities, are performing. The second function is to develop recommendations about how transportation policy should change to shape, or adjust to, a changing world. A third is to support Administration and Departmental priorities that advance the economic competitiveness of U.S. companies.

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

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The TPR&D funded program addresses major transportation policy issues and Administration priorities, identifies national and international research needs, and funds research and analysis that results in information tools to support Federal and State agencies in the planning, operation, management and maintenance of US transportation systems as well as enhancing the economic competitiveness through efficient transportation. Policy development for surface transportation reauthorizations are primarily supported by TPR&D funded analytical research and the Office of the Under Secretary staff.

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

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The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase and an estimated 32 FTEs and associated costs.



**Economic Competitiveness Strategic Goal:** (\$1,254,064) in contract/project development research)

Aviation Data Modernization: \$200,000

The Aviation Data Modernization Program will continue to provide the appropriate data required to administer statutorily mandated aviation programs. An updated methodology will enable analytical alignment with proposed reporting requirements under the Aviation Data Modernization program and the initiation of a la carte pricing by many carriers.

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

The Department relies upon these data for its mandated responsibilities, including the review of antitrust immunity applications, airline mergers, Essential Air Services carrier selection orders, airline congestion claims, Small Community Air Service Development Program grant awards, and slot transfers.

The current system dates largely from the 1970s and needs to be updated to better address contemporary needs. With the assistance of a contractor, the Department designed a methodology that is less burdensome to the air carriers. The contractor designed an innovative solution that enables the government to work with the private sector to adapt the air transportation system to the needs of commerce. The Department is working with airlines and their associations to refine and update the methodology for data collection by making the best use of their existing ticket sales and flight data records. We request \$200,000 in FY 2015 for development and testing. The timeline for this project is dependent on cooperation with several airlines to test the cost and benefits of a number of technological approaches to updating the antiquated collection methodology. It is expected that an agreed upon approach can be tested in FY 2015 and implemented following a rulemaking by FY 2016.

Profit Essentials Software Support: \$89,600

Profit Essentials combines airline schedule data, airline demand data, and a series of historical statistical relationships on passenger choice to model airline services. The Office of Aviation Analysis relies extensively on the Profit Essentials Airline Network Analysis Model to evaluate airline schedule issues and to analyze airline codeshare and alliance agreements. The model has a broad range of applications for providing critical assessments of the evolving competitiveness of domestic and international aviation markets, rational economic bases for carrier selection decisions, and forecasts on the effects on competition of proposed mergers and alliances. Use of this model is critical to analysis required to support the Department's strategic policy to enhance competition and growth in domestic and international aviation. It is used for support in all divisions of The Office of Aviation Analysis (Essential Air Service and Small Community Air Service Development Programs, Competition and Policy Analysis, and the Air Carrier Fitness Division).

International Regulatory Cooperation and Research: \$75,000

As U.S. airlines seek to engage in commercial and alliance agreements around the world to realize the economic benefits of open skies agreements with our foreign aviation partners, they encounter various “doing business issues.” Many of these issues involve the application of incongruent competition policies by the countries involved. This ongoing project supports the cooperation between DOT and foreign competition authorities to foster compatible regulatory approaches in the way various national authorities review, approve, and monitor alliance agreements between U.S. and foreign airlines. These efforts often involve discussions on the appropriate competition standards that should be applied to the review of airline alliance agreements, joint research projects on the impact of these agreements on competition, and joint monitoring of approved transactions. These efforts secure the ability of U.S. airlines to generate hundreds of millions of dollars in revenue as a result of approved alliance agreements.

The Department’s request for FY 2015 would support the continuation of ongoing cooperative programs and the inauguration of several new programs. The Department plans to launch a joint study with the European Commission’s Directorate General for Competition on the economic impact of alliances in transatlantic markets using the most recent data available. In addition to continuing our work with the Canadian, Australian, and Japanese competition authorities, we seek to expand our cooperation with China as it moves toward greater liberalization and to inaugurate a new program with India and one other “emerging” market that is critical to the global competitiveness of the U.S. airline industry.

As U.S. airlines seek to expand their services international markets, the number of such “doing business” issues is only increasing and the need for compatible approaches to the economic oversight of the industry is becoming more important. The Department intends to continue this program for the foreseeable future.

Airline Alliance and Joint Venture Competition Research: \$75,000

In 2008, DOT and the European Commission (DG Competition) launched a joint research project aimed at deepening their understanding of how alliances have affected competition in transatlantic markets and the potential impact of the new U.S.-EU Air Transport Open Skies Agreement that began in March 2008. This agreement, which, for the first time, allows EU and U.S. airlines to serve any route between Europe and the United States, calls for developing a common understanding of trends in the airline industry in order to promote compatible regulatory approaches in competition policy. FY 2015 funds would be used to support an econometric analysis conducted by academic experts under contract. This project is ongoing as Annex II of the U.S.-European Union Air Services Agreement commits DOT and the EU’s Directorate General for Competition to ongoing cooperation in monitoring competition in transatlantic markets which are now characterized by inter-alliance competition.

Air Carrier Fitness Case Management System: \$50,000

The Air Carrier Fitness Division (Fitness Division) analyzes and evaluates all applications for new economic authority to determine if applicants are “fit, willing, and able” to conduct commercial airline operations and are U.S. citizens as defined by statute. This involves analysis of the applicants’ managerial capabilities and experience, the financial resources available for the proposed operations, its service plan, and the ability of the management personnel to comply with U.S. laws, as well as the ownership of the applicants. The Fitness Division also monitors on a regular basis the operations and financial conditions of all licensed U.S. airlines to ensure that they continue to be fit to hold their operating authority and to serve the U.S. public. These funds support the continued contract maintenance, implementation, and build-out of the electronic case management tracking system. This project is for an ongoing, permanent case management system. Funding in subsequent years will be limited to maintenance and calibration of the database software.

Women in Transportation: \$50,000

The project will (1) collect data to measure progress related to gender policy; (2) create a compendium of best practices so each Economy can learn and improve from each other (3) institutionalize regular dialogue in APEC on Women in Transportation in the Transportation Working Group of APEC; (4) hold a workshop to develop ways to mentor and educate young women (from the public and private sectors). While APEC will serve as the initial region of focus, if successful, it is anticipated this project will be replicated over various regions at a minimal incremental cost to the Department. This initiative is a Department wide effort to increase participation of women in the transportation field not only in the APEC region but within the United States as well. This initiative is a five year effort and we are currently executing the second year activities. The funding will cover contract support services.

National Export Initiative: \$199,464

The Secretary of Transportation is a member of the Export Promotion Cabinet, which ensures the performance of the President’s National Export Initiative (NEI). Several key country markets have been identified for priority interagency focus under the NEI. China, Brazil and India are identified as top-tier country markets which can yield increased U.S. exports, especially in the infrastructure and transportation sector. Nine other priority markets are also highlighted for their U.S. export potential. We will continue to engage in high-level forums with China, Brazil, and India, which are facing similar transportation-related challenges and have significant expertise in developing and maintaining large and complex transportation systems. These provide formal mechanisms for sharing the best practices and working toward compatible regulatory frameworks, to our mutual economic benefit.

The \$122,214 is being used to continue funding research studies on transportation sector characteristics and markets in key NEI countries. We are also exploring the feasibility of other priority markets as identified under the NEI. These studies focus on special transportation topics in support of multimodal bi-national working group objectives. For example, Intelligent Transportation Systems (ITS) presents a large market opportunity for U.S. exporters in these markets, given the large transportation infrastructure projects those countries are preparing to

invest in. In some NEI countries, definitional studies are being conducted to consolidate information about the state and understanding of ITS technology in these countries, identifying obstacles to implement the U.S. ITS protocol, and creating inventories of likely ITS requirements for each project. \$77,250 will continue to support essential DOT participation in interim working group and plenary technical exchange meetings in partner countries, at which they will present and assess the results of joint studies and technical research.

This initiative is an ongoing multi-year effort. The U.S. needs to improve access to existing markets and gain access to new ones for U.S. transportation goods and services. Through these forums, we will advance export opportunities for our companies, promote advanced technologies and best practices and create a framework for a safer, more efficient and environmentally friendly global transportation system.

Freight Planning to Support National Exports: \$100,000

The National Export Initiative for Freight Planning, initiated in 2010, set out to double U.S. exports by 2015. In support of that Initiative, the Department has expanded its analysis of the U.S. freight transportation network to examine how adequately that network supports the needs of U.S. exporters. Forecasts of likely export flows over the next 20 years have been conducted, and the Department is analyzing the freight transportation requirements necessary to support those flows. A preliminary analysis has been conducted of the adequacy of the highway, rail, and water transportation system to meet those freight transportation requirements, including an analysis of highway bottlenecks that are most likely to affect freight export movements. Part of this research is a detailed analysis of the effect of the expansion of the Panama Canal on freight transportation flows. Together, these studies constitute the beginning of an expanded effort to respond to the mandate enacted in the Moving Ahead for Progress in the 21st Century Act (MAP-21) to develop a National Freight Strategic Plan.

Freight Planning, Data, and Analysis Requirements of MAP-21: \$125,000

MAP-21 also requires the Department to report on the Conditions and Performance of the Freight Transportation System, and directs the Department to develop improved Freight Transportation Investment Data and Planning tools. The Department has established a Freight Policy Council to coordinate multimodal freight planning and research and to implement the freight provisions of MAP-21, and this initiative will be staffed by OST Policy. DOT has also announced the establishment of a National Freight Advisory Committee to provide recommendations aimed at improving the national freight transportation system. By engaging stakeholders representing diverse geographic, modal, and policy interests, such as safety, labor and the environment, the Advisory Committee will provide recommendations to the Secretary of Transportation on how DOT can improve its freight transportation policies and programs. OST Policy will support both the Freight Policy Council and the National Freight Advisory Committee with TRPD funds.

Preparation of a Freight Conditions and Performance Report (due in September 2014), development of improved freight data and planning tools, and preparation of a National Freight Strategic Plan (due in September 2015) will be resource-intensive activities. While we will draw

upon resources in the modal administrations, most of the work will be done in the Office of Transportation Policy. This will require resources to support research on new data and planning tools, particularly new measures of freight conditions and performance. We will also need funding for freight forecasting to support the National Freight Strategic Plan.

International Transportation Forum: \$40,000

The International Transportation Forum (ITF) is the only international organization representing transportation interests across the world, and continues to expand to developed and developing member nations. The ITF was established by a European Conference of Ministers of Transport (ECMT) ministerial declaration in May 2006 within the legal framework of the ECMT Protocol signed in Brussels, Belgium in October 1953 to reflect the international nature of the transportation sector. Member and Associate Member countries of the ECMT are considered members of the ITF and participate in programmatic decisions such as work priorities and conference agenda. Members that provide financial contributions participate in financial decisions. The ITF is supported by work of the Organization of Economic Cooperation and Development (OECD)/ECMT Joint Transport Research Center (JTTC), an organization that the United States supports both programmatically and financially. DOT's Operating Administrations have benefited from participation in JTTC research projects ranging from improving highway pavement to congestion mitigation and motorcycle safety. The ITF has provided us the opportunity to cooperate in infrastructure financing, high speed rail, and the environment. ITF will contribute to a pool of funds managed by the ITF Secretariat which is used to develop a common transportation research agenda, to conduct the identified research program (through research contracts), and to present and assess the results of this research at the annual ITF meetings in Leipzig, Germany. Funds are used to support ITF Secretariat costs, including staff, contractors, and logistics and meeting costs. DOT has supported the ITF through annual voluntary membership contributions since 2007. The funds will sustain our voluntary annual membership contribution and be required for a five year period.

Research on Improving Benefit-Cost Analysis: \$100,000

It is widely recognized, at both the federal and state levels of government, that better economic analysis of transportation infrastructure investment is essential to getting greater economic competitiveness outcomes from our transportation infrastructure investment resources. Promising initiatives have begun in the use of benefit-cost analysis (BCA) in support of competitive grant programs such as the National Infrastructure Investments (NII)/TIGER Grant and High-Speed and Intercity Passenger Rail programs. A growing numbers of states and local authorities are making greater use of BCA in their own transportation infrastructure investment decision-making; they encounter the limitations of existing BCA methodologies. While some categories of benefits are readily estimated, others are not, including some which are critical to meeting transportation policy objectives.

The Department's request for FY 2015 would be used to continue research initiated in FY 2012 on improving the methodology of transportation benefit-cost analysis. Initial efforts have focused on livability-related benefits; continuing efforts in FY 2014 will focus more on benefits of freight-related infrastructure investments, including benefits associated with reducing transit time for freight shipments and benefits of diverting freight from less efficient modes to more efficient

modes. Freight-related analysis will continue in FY 2015. Freight transportation costs are complex, varying greatly with the nature of the commodity, the supply chain strategy of the shipper, and the spatial distribution of production, distribution, and retail centers. Complex modeling is needed to analyze the effects of a given transportation infrastructure investment on the costs of the varied carriers and their shippers who will make use of the infrastructure.

Work in FY2015 will also focus on economic development related benefits resulting from passenger-related investments, including effects of transportation infrastructure investment on land use, trip lengths, agglomeration effects, and economic productivity. This analysis is particularly important in connection with transportation investments such as transit and high-speed rail.

“Best-Practices” Initiative for Implementing Open-Skies Aviation Agreements: \$75,000

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

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

Business Aviation Initiative: \$75,000

The general aviation industry is a growing and increasingly important segment of the international aviation community. New operating paradigms, such as “fractional” aircraft ownership programs, not only have made non-commercial aviation more accessible and affordable but also have raised issues about whether these operations continue to be “private” carriage.

As general aviation becomes increasingly visible, particularly as an adjunct to the globalization of business in general, it is essential that international aviation regulators are sensitized to the economic importance of these services and their unique operational needs. Growth of this sector has the potential to yield benefits not only for users but also importantly for aircraft manufacturers. For this reason, the business aviation initiative represents a key Department priority in support of the Administration’s National Export Initiative (NEI).

Building on the Department's successes with Canada, Mexico, and Europe, the Department through this initiative has worked under the auspices of APEC to develop a set of agreed core principles that will facilitate the development of this sector in the region. Now that the APEC work is nearing completion, we anticipate extending the initiative to non-APEC Asian countries, as well as to Latin America, Africa, and the Middle East either bilaterally or regionally.

We anticipate that analytical support to create an inventory of current regulatory regimes and airport access criteria will provide an important underpinning for the proposed policy approach and help the Department to target specific countries for bilateral outreach in conjunction with the regional initiative through APEC. The requested funds would support both the contractor participation and staff travel associated with this initiative.

**Environmental Sustainability Strategic Goal:** (\$56,718 in contract research)

Climate, Sustainability and Adaptation Policy: \$56,718

Requested funding would advance research to support policy decisions and transportation response to emerging policies on climate change mitigation, alternative fuels and strategies to reduce transportation related pollution and impacts on the natural environment, making the transportation sector more environmentally sustainable. This funding will support transportation aspects of major White House initiatives, including update of the Global Change Research Program's National Climate Assessment mandated by the Global Change Research Act and representing DOT on the National Climate Assessment's advisory committee.

The funding would also support the Council on Environmental Quality-led interagency effort to integrate adaptation planning in all Federal agencies policies and program and related DOT work to assist state and local transportation agencies to evaluate risks and protect critical infrastructure and support incorporation of such considerations in DOT programs. The work would support the regular update of the DOT adaptation plan. It would identify methodological and data gaps and develop methods and tools to assist national, state and local transportation system and infrastructure operators in developing practical approaches to planning for and adapting to climate change, including risk and vulnerability assessments. DOT has a critical role because long-lived existing and planned infrastructure will be at risk from sea level rise, storm surge, extreme events, changing precipitation patterns and other climate change consequences. DOT actions to implement adaptation to climate are coordinated through DOT's Center for Climate Change & Environmental Forecasting/Office of Climate Change directed to be established by the Energy Independence and Security Act of 2007 (EISA), and this funding would in part support coordinated research. This research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the environmental sustainability goal of advancing policies and investments that reduce carbon and other harmful emissions from transportation sources.

**Quality of Life in Communities Strategic Goal:** (\$150,000 in contract research)

Partnership for Sustainable Communities: \$50,000

DOT will fund projects jointly with other federal agencies through the Partnership for Sustainable Communities. This research will provide tools, models, and case studies to support communities' efforts to become more livable, through integration of Federal programs for transportation, housing water and other infrastructure. This research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the goal of fostering quality of life in communities through place-based policies and investments that increase transportation choices and access to Transportation services.

Health and Transportation: \$50,000

DOT will fund the Health in Transportation Initiative, jointly developed by DOT and the Centers for Disease Control. This project highlights the linkages between transportation investments and health outcomes by developing interactive online tools, such as a database of indicators and outcome data. The research leverages other agencies and outside expertise to advance the goal of fostering quality of life in communities, and will increase the awareness of this issue.

Economic Impacts of Livable Communities: \$50,000

DOT will fund research into the economic impacts quality of life in communities by studying the benefits of place-based policies and investments funded through other DOT programs. This research will draw upon current and past grantees to document lessons learned and outcomes as a result of federal investments.

Safety Strategic Goal: (\$100,000 in contract research)

DOT Safety Council: \$100,000

The Office of Safety, Energy and Environment will fund technical and logistical support of DOT Safety Council, which provides a forum to identify, prioritize and coordinate cross-modal safety challenges and emerging safety issues. This research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the goal of improving public health and safety by reducing transportation-related fatalities and injuries.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**TRANSPORTATION PLANNING RESEARCH AND DEVELOPMENT**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$8,529</b>	<b>25</b>
<b>FY 2014 Enacted</b>	<b>\$7,000</b>	<b>32</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$13	
Annualization of New Positions Requested in FY 2014	\$0	
January 2015 Pay Raise	\$41	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$76	
FERS and FEHB Increases	\$46	
Inflation	\$9	
<b>FY 2015 Baseline Estimate</b>	<b>\$7,185</b>	<b>32</b>
<u>FY 2015 Program Changes (+/-):</u>	\$815	
In support of the secretary's objectives for FY 2015, additional funding is requested for the purposes of creating the Department of Transportation's overall strategic planning, creating freight strategic plan, and fulfilling the requirements of MAP-21.		
<b>Total, FY 2015 Request</b>	<b>\$8,000</b>	<b>32</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001	10,868	12,000	10,000
0002	1,000	0	0
0003	50	426	0
0091	11,919	12,426	10,000
0100	11,919	12,426	10,000
0900	11,919	12,426	10,000
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000	8,223	9,771	1,596
1011	1,000	0	0
1021	3,209	0	0
1050	12,432	9,771	1,596
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
1100	9,000	7,000	8,000
1130	-471	0	0
1131	0	-2,750	0
1160	8,529	4,250	8,000
<b>Spending authority from offsetting collections, discretionary:</b>			
1700	983	0	0
1701	-254	0	0
1750	729	0	0
1900	9,258	4,250	8,000
1930	21,690	14,021	9,596
<b>Memorandum (non-add) entries:</b>			
1941	9,771	1,596	-404
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	15,999	7,444	12,958
3010	11,919	12,426	10,000
3020	-16,570	-6,912	-6,465
3040	-3,209	0	0
3041	-695	0	0
3050	7,444	12,958	16,493
3060	-863	-609	-609
3070	254	0	0
Obligated balance, end of year (net):			
3090	-609	-609	-609
3100	15,136	6,835	12,349
3200	6,835	12,349	15,884
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	9,258	4,250	8,000
<b>Outlays, gross:</b>			
4010	7,078	1,700	3,200
4011	9,492	5,212	3,265
4020	16,570	6,912	6,465
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
4030	-983	0	0
Additional offsets against gross budget authority only:			
4050	254	0	0
4060	254	0	0
4180	8,529	4,250	8,000
4190	15,587	6,912	6,465

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$3,568	\$4,174	\$4,216
11.3 Other than full-time permanent	\$151	\$151	\$153
11.5 Other personnel compensation	\$0	\$0	\$0
11.9 Total personnel compensation	\$3,719	\$4,326	\$4,369
12.1 Civilian personnel benefits	\$1,112	\$1,100	\$1,150
21.0 Travel and transportation of persons	\$162	\$154	\$156
23.0 Rent and Comm, Util	\$0	\$0	\$0
24.0 Printing	\$20	\$20	\$20
25.2 Other services	\$6,287	\$6,165	\$3,561
25.3 Other services	\$582	\$626	\$708
26.0 Supplies and materials	\$20	\$21	\$21
31.0 Equipment	\$15	\$15	\$16
99.0 Subtotal, direct obligations	\$11,919	\$12,426	\$10,000
99.9 Total obligations	\$11,919	\$12,426	\$10,000

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	25	32	32

**OFFICE OF THE SECRETARY OF TRANSPORTATION****TIGER GRANTS PROGRAM (NII) (Discretionary)****What Is The Request and What Will We Get For the Funds?**

(\$000)

<u>ITEM</u>	<u>FY 2013 Actual</u>	<u>FY 2014 Enacted</u>	<u>FY 2015 Request</u>	<u>Difference from FY 2014 Enacted</u>
<b><u>FUNDING LEVELS</u></b>				
Infrastructure Investments	\$453,847	\$580,000	\$0	-\$580,000
Administrative Expenses	\$20,000	\$20,000	\$0	-\$20,000
<b>TOTAL</b>	<b><u>\$473,847</u></b>	<b><u>\$600,000</u></b>	<b><u>\$0</u></b>	<b><u>-\$600,000</u></b>

**STAFFING**

Direct Positions	12	12	0	-12
Direct FTEs	8	10	0	-10
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

Note: This discretionary account has been eliminated in FY 2015; mandatory funds of \$1.25 billion is being requested in FY 2015.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**TIGER GRANTS PROGRAM (NII) (Mandatory)**

**What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Infrastructure Investments	\$0	\$0	\$1,195,000	\$1,195,000
Planning Grants	\$0	\$0	\$35,000	\$35,000
Administrative Expenses	\$0	\$0	\$20,000	\$20,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,250,000</b>	<b>\$1,250,000</b>

**STAFFING**

Direct Positions	0	0	12	12
Direct FTEs	0	0	10	10
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

OST is requesting a mandatory appropriation of \$1.25 billion from the Transportation Trust Fund and an estimated 10 FTEs in FY 2015 for the TIGER Grants Program to continue to support national, regional, and local surface transportation infrastructure projects for a variety of modes to address the deteriorating state of the Nation's transportation system.

## **Detailed Justification for the TIGER Grants Program**

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

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The TIGER Grants Program provides a unique opportunity for the U.S. Department of Transportation (DOT) to invest in the Nation's surface transportation infrastructure, including roads and highways, public transportation facilities, freight and passenger rail, and port infrastructure. TIGER provides funds to governmental entities for capital investments on a competitive basis to support merit-based projects that make a significant impact on the Nation, a region or metropolitan area. Through this Program, DOT uses a rigorous process to select projects with exceptional benefits, explores ways to deliver projects faster and save on construction costs, and invests in our Nation's infrastructure in a way that makes communities safer, more sustainable, and economically secure.

The surface transportation reauthorization proposal includes \$1.25 billion in contracting authority for the FY 2015 TIGER Grants Program. The proposal's legislative language contains provisions to ensure an equitable geographic distribution of funds as well as an appropriate balance in addressing urban and rural communities' needs with investments across a variety of transportation modes. It also provides for a portion of Program funds to be used towards Transportation Infrastructure Finance and Innovation Act (TIFIA) credit subsidies and administrative costs while another portion funds planning, preparation or design of surface transportation projects.

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

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The TIGER Grants Program is necessary because States, local and tribal governments, transit agencies, or a collaboration among such entities, are seeking more cost-effective, innovative solutions to complex transportation and economic development challenges. This requires greater flexibility than is possible through the current formula programs, which focus on individual modes, specific project types, and a limited group of grantees. TIGER, however, assists local sponsors in obtaining support for innovative projects designed to move people and goods, regardless of the modes of transportation or jurisdictions involved.

TIGER enables DOT to examine a broad array of projects on their merits to help ensure taxpayers receive the highest value for every dollar invested. By challenging potential grantees to present their strongest plans, DOT receives requests with lower project costs and higher non-Federal contributions. DOT attaches a deadline to funding once it awards grants; thereby, incentivizing grantees' timely and cost-effective project delivery. TIGER grantees must leverage performance measurements and outcome tracking to demonstrate to the taxpayer the attainment of proposed benefits. DOT uses this data to inform best practices for future projects. Subsequently, the TIGER Grants Program inherently fosters successful projects that have helped fund the "last mile" of many larger projects that had no other means of completing proposed goals.

After five rounds of TIGER, DOT received more than 5,000 applications from all 50 States, Puerto Rico, Guam, American Samoa, and the District of Columbia. They requested more than

\$114 billion from a Program with approximately \$3.6 billion available. In the most recent round of TIGER (FY 2013), DOT received over 550 applications requesting more than \$9 billion in funding, (i.e., nearly 20 times the \$474 million available for TIGER in FY 2013). While DOT was able to fund only four percent of the applications it received, the overwhelming participation demonstrates the public's demand for programs like TIGER; programs that provide an alternative to the traditional framework for infrastructure investment. Through TIGER, DOT helped fund projects in rail, transit, roads, and ports throughout the entire Nation - improving safety, state of good repair, economic competitiveness, and quality of life and environment.

DOT's competitive selection process reward applicants that demonstrate a level of commitment, planning, and partnership that stands apart from others. TIGER is a flexible Program that allows DOT to navigate the distinct needs of different communities across the country, and at the same time, provide for recognition of common problem sets, from deteriorating roads to poor economic center access. With TIGER, the focus is not on particular levels of government or modes, but on impactful outcomes and substantial return to the tax-payer.

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

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The TIGER Grants Program has the unique ability to increase the economic competitiveness of the Nation in the full range of transportation infrastructure options – highway, transit, rail, and port facilities – to support solutions that no other program at the Department can offer. State and local governments have shown a tremendous interest in the Program. As previously mentioned, DOT received more than 550 requests from all 50 states, Puerto Rico, Guam, American Samoa, and the District of Columbia in FY 2013. These requests totaled approximately \$9 billion, which is almost 20 times the \$474 million set aside for the FY 2013 TIGER Program. The Department expects that the demand for grant funds will continue to far exceed what is available.

In 2013, DOT awarded 52 grants under this Program. The following grant awards are a small, but striking, sample of the compelling results from over five rounds of the TIGER Grants Program:

- In Rochester, New York, for example, the Department awarded a \$17.7 million grant for the Inner Loop East Reconstruction project (a \$23.6 million project) that will transform an underused highway that cuts through downtown Rochester into a traditional downtown boulevard. This effort will restore the street grid and improve public safety and quality of life for residents, while removing a barrier to the revitalization of Rochester's downtown residential and business districts.
- For Kansas City, Missouri, the Department awarded a \$20 million grant for the Kansas City Downtown Streetcar (a \$102.5 million project) to construct a two mile streetcar route that will connect the River Market, Crown Center/Union Station, Central Business District, and Crossroads Arts District areas. This project is supported by a voter-approved Tax Increment Financing District.
- In Tacoma, Washington, the Department awarded a \$10 million grant for the Tacoma Trestle project (a \$54.7 million project) in order to replace a 100-year-old single track wooden trestle bridge with a modern double-tracked bridge to improve reliability and capacity for commuter and intercity rail in the Pacific Northwest.

- In Duluth, Minnesota, the Department awarded a \$10 million grant to rehabilitate, rebuild, and expand a 28-acre cargo dock at the Port of Duluth (a \$16 million project) to support increased steel, iron, and pulp product export capacity.

The TIGER Grants Program leveraged more than two private, State, and local dollars for every Federal dollar invested; compared with 20 cents on the dollar in most of DOT's formula programs. TIGER funded projects focused on multimodal investments of National and regional significance often difficult to fund in the current mode-specific transportation programs. It has rewarded innovation and encouraged cross-jurisdictional and public-private partnership. As a result, this Program is helping to build a robust, more efficient, competitive, cost-effective and environmentally sustainable transportation system for the taxpayer.

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

The Administration is proposing \$1.25 billion in FY 2015 for the TIGER Grants Program. This request would also fund an estimated 10 FTEs to administer the TIGER Grants Program.

The \$1.25 billion will continue to support the types of National, regional, and local infrastructure projects that DOT has funded over the past five years through the TIGER Grants Program iterations. Programs like TIGER Grants are key to addressing the deteriorating state of the Nation's transportation system and helping spur investment beyond the Federal government. Moreover, the competitive aspect of the TIGER Grants program encourages additional investment into transportation infrastructure while using available grant and loan funding to enhance the Nation's transportation network. The types of projects funded tend to be innovative, multi-modal projects that are difficult to fund through the underlying formula programs. The TIGER Grants Program targets projects with safety, economic competitiveness, state of repair, quality of life and environmental sustainability components.

As part of that \$1.25 billion, DOT plans to include up to \$35 million to support planning grants similar to those awarded in the FY 2010 round of TIGER to continue to support the development of a robust pipeline of capital-ready infrastructure projects. In addition, minor adjustments have been made in the distribution of funding resources between object classes from FY 2014 to FY 2015 to more accurately reflect projects' fund usage in FY 2015.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**NATIONAL INFRASTRUCTURE INVESTMENTS (NII) (Discretionary)**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$473,847</b>	<b>8</b>
<b>FY 2014 Enacted</b>	<b>\$600,000</b>	<b>10</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$16	
Annualization of New Positions Requested in FY 2014	\$0	
January 2015 Pay Raise	\$49	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$27	
FERS and FEHB Increases	\$0	
Inflation	\$133	
<b>FY 2015 Baseline Estimate</b>	<b>\$600,171</b>	<b>10</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$600,171	
Funding for this program is proposed to be funded via Trust Fund contract authority beginning in FY 2015; therefore, no FY 2015 funding is being requested in this discretionary program.		
<b>Total, FY 2015 Request</b>	<b>\$0</b>	<b>0</b>

## OFFICE OF THE SECRETARY OF TRANSPORTATION

## TIGER GRANTS PROGRAM (NII) (Mandatory)

## Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$473,847</b>	<b>8</b>
<b>FY 2014 Enacted</b>	<b>\$600,000</b>	<b>10</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$16	
Annualization of New Positions Requested in FY 2014	\$0	
January 2015 Pay Raise	\$49	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$27	
FERS and FEHB Increases	\$0	
Inflation	\$133	
<b>FY 2015 Baseline Estimate</b>	<b>\$600,171</b>	<b>10</b>
<u>FY 2015 Program Changes (+/-):</u>	\$649,829	
To continue to support national, regional, and local surface transportation infrastructure projects for a variety of modes to address the deteriorating state of the Nation's transportation system.		
<b>Total, FY 2015 Request</b>	<b>\$1,250,000</b>	<b>10</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NATIONAL INFRASTRUCTURE INVESTMENTS  
(Discretionary)

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code		FY 2013	FY 2014	FY 2015
69-0143-0-1-401		Actual	Enacted	Request
<b>Obligations by program activity:</b>				
0001	Discretionary Grants	829,919	457,847	580,000
0002	Admin	1,805	0	0
0003	TIFIA Admin & Subsidy	10,850	18,496	11,000
0900	Total Obligations	842,575	476,343	591,000
<b>Budgetary Resources available for obligation:</b>				
<b>Unobligated balance:</b>				
1000	Available, start of year	835,234	473,343	597,000
1010	Transferred to other accounts (-)	-40,073	0	0
1011	Transferred from other accounts	40,073	0	0
1021	Resources available from recoveries of prior year obligations	372	0	0
1050	Unobligated balance (total)	835,606	473,343	597,000
<b>New Budget Authority (Gross), Detail:</b>				
<b>Appropriations, Discretionary:</b>				
1100	Appropriation	500,000	600,000	0
1120	Transfers to other accounts (-)	-35	0	0
1121	Transfers from other accounts	35	0	0
1130	Appropriation permanently reduced	-26,153	0	0
1160	Appropriation, discretionary (total)	473,847	600,000	0
<b>Appropriations, Discretionary:</b>				
1700	Offsetting collections (cash) (unexpired only)	8,819	0	0
1750	Spending authority fm offsetting collections (total)	8,819	0	0
1900	Total new budget authority (gross)	482,666	600,000	0
1930	Total budgetary resources available for obligation	1,318,272	1,073,343	597,000
Memorandum:				
1940	Unobligated balance expiring	-2,354	0	0
1941	Unobligated balance available, end of year	473,343	597,000	597,000
<b>Change in obligated balance:</b>				
3000	Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	539,691	1,158,055	1,142,672
3010	Ob Bal: Obligations incurred: Unexpired accounts	842,575	476,343	591,000
3011	Ob Bal: Obligations incurred: Expired accounts	42	0	0
3020	Ob Bal: Outlays (gross)	-223,759	-491,726	-478,778
3040	Ob Bal: Recov, prior year unpaid obs, unexp accts	-372	0	0
3041	Ob Bal: Recov, prior year unpaid obs, exp accts	-122	0	0
3050	Ob Bal: EOY: Unpaid obligations	1,158,055	1,142,672	1,254,894
Memorandum:				
3100	Obligated balance, start of year	539,691	1,158,055	1,142,672
3200	Obligated balance, end of year	1,158,055	1,142,672	1,254,894
<b>Budget authority and outlays, net:</b>				
Discretionary				
4000	Budget authority, gross	482,666	600,000	0
Outlays, gross				
4010	Outlays from new discretionary authority	169	0	0
4011	Outlays from discretionary balances	223,590	491,726	478,778
4020	Outlays, gross (total)	223,759	491,726	478,778
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	8,819	0	0
4180	Budget authority, net	473,847	600,000	0
4190	Outlays, net	214,940	491,726	478,778

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
NATIONAL INFRASTRUCTURE INVESTMENTS  
(Discretionary)

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-0143-0-1-401			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	824	1,088	993
11.3 Other than full-time permanent	95	-	-
11.5 Other personnel compensation	75	-	-
11.9 Total personnel compensation	994	1,088	993
12.1 Civilian personnel benefits	277	272	248
21.0 Travel and transportation of persons	31	-	-
22.0 Transportation of things	-	-	-
23.0 Communication and utilities	-	-	-
24.0 Printing and Reproduction	-	-	-
25.1 Advisory and assistance service	1,820	9,646	2,677
25.2 Other services from non-federal sources	-	-	-
25.3 Other goods and services from Federal sources	555	583	612
26.0 Supplies and materials	12	-	-
31.0 Equipment	3	-	-
41.0 Grants, subsidies, and contributions	-	-	-
94.0 Financial Transfers	1,805	-	-
99.0 Direct obligations	5,497	11,588	4,531
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	687	1,189	1,103
11.3 Other than full-time permanent	239	-	-
11.5 Other personnel compensation	-	-	-
11.8 Special personal services payments	2	-	-
12.1 Civilian personnel benefits	272	297	276
21.0 Travel and transportation of persons	306	786	786
24.0 Printing and Reproduction	-	-	-
25.2 Other services from non-federal sources	5,652	4,635	4,305
26.0 Supplies and materials	-	-	-
41.0 Grants, subsidies, and contributions	829,919	457,847	580,000
99.0 Allocation account - direct	837,077	464,755	586,469
99.9 Direct obligations	842,574	476,343	591,000

PERSONNEL SUMMARY

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-0143-0-1-401			
1001 Total compensable workyears:			
Full-time equivalent employment	8	10	10

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS  
(TRANSPORTATION TRUST FUND)

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code 69-8372-4-7-400	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request
<b>Obligations by program activity:</b>			
0001 Discretionary Grants	-	-	500,000
0002 Admin	-	-	3,000
0900 Total Obligations	-	-	503,000
<b>Budgetary Resources available for obligation:</b>			
<b>New Budget Authority (Gross), Detail:</b>			
<b>Appropriations, Discretionary:</b>			
1101 Appropriation (special or trust fund)	-	-	1,250,000
1137 Appropriation applied to liquate contract authority	-	-	(1,250,000)
1160 Appropriation, discretionary (total)	-	-	-
<b>Appropriations, Mandatory:</b>			
Contract authority, Mandatory:			
1600 Contract authority			1,250,000
1640 Contract authority, mandatory (total)			1,250,000
1900 Total new budget authority (gross)	-	-	1,250,000
1930 Total budgetary resources available for obligation	-	-	1,250,000
1941 Unobligated balance available, end of year	-	-	747,000
<b>Change in obligated balance:</b>			
Unpaid obligations:			
3010 Obligations incurred: Unexpired accounts	-	-	503,000
3050 Unpaid obligations, end of year	-	-	503,000
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	-	-	503,000
<b>Budget authority and outlays, net:</b>			
Mandatory			
4090 Budget authority, gross			1,250,000
4180 Budget authority, net (mandatory)	-	-	1,250,000

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS  
(TRANSPORTATION TRUST FUND)

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-8372-4-7-400			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	-	-	95
11.3 Other than full-time permanent	-	-	-
11.5 Other personnel compensation	-	-	-
11.9 Total personnel compensation	-	-	95
12.1 Civilian personnel benefits	-	-	24
21.0 Travel and transportation of persons	-	-	-
22.0 Transportation of things	-	-	-
23.0 Communication and utilities	-	-	-
24.0 Printing and Reproduction	-	-	-
25.1 Advisory and assistance service	-	-	1,831
25.2 Other services from non-federal sources	-	-	-
25.3 Other goods and services from Federal sources	-	-	612
26.0 Supplies and materials	-	-	-
31.0 Equipment	-	-	-
41.0 Grants, subsidies, and contributions	-	-	-
94.0 Financial Transfers	-	-	-
99.0 Direct obligations	-	-	2,562
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	-	-	87
11.3 Other than full-time permanent	-	-	-
11.5 Other personnel compensation	-	-	-
11.8 Special personal services payments	-	-	-
12.1 Civilian personnel benefits	-	-	22
21.0 Travel and transportation of persons	-	-	-
24.0 Printing and Reproduction	-	-	-
25.2 Other services from non-federal sources	-	-	330
26.0 Supplies and materials	-	-	-
41.0 Grants, subsidies, and contributions	-	-	500,000
99.0 Allocation account - direct	-	-	500,438
99.9 Direct obligations	-	-	503,000

PERSONNEL SUMMARY

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-0143-0-1-401			
1001 Total compensable workyears:			
Full-time equivalent employment	0	0	0

## Section 3 - FY 2015 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## NEW HEADQUARTERS BUILDING

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code		FY 2013 ACTUAL	FY 2014 REQUEST	FY 2015 REQUEST
69-0147-0-1-407				
	<b>Obligations by program activity:</b>			
00.01	Direct program activity	281	999	0
09.00	Total new obligations	281	999	0
	<b>Budgetary resources available for obligations:</b>			
10.00	Unobligated balance, brought forward Oct 1	879	999	0
10.21	Recoveries of prior year obligations	401	0	0
10.50	Unobligated balance (total)	1,280	999	0
	<b>New budget authority (gross), detail:</b>			
	Discretionary:			
	Discretionary: Spending authority from offsetting collections:			
19.30	Total budgetary resources available	1,280	999	0
	<b>Memorandum (non-add) entries:</b>			
19.41	Unexpired unobligated balance, end of year	999	0	0
	<b>Change in obligated balance:</b>			
30.00	Unpaid obligations, brought forward, October 1	1,328	1,141	1,739
30.10	Obligations incurred, unexpired accounts	281	999	0
30.20	Outlays (gross)	-68	-400	-400
30.40	Recoveries of prior year obligations, unexpired accounts	-401	0	0
30.50	Unpaid obligations, end of year (gross)	1,141	1,739	1,339
31.00	Obligated balance, start of year (net)	1,328	1,141	1,739
32.00	Obligated balance, end of year (net)	1,141	1,739	1,339
	<b>Outlays (gross), detail:</b>			
40.10	Outlays from new discretionary authority	0	0	0
40.11	Outlays from discretionary balances	68	400	400
40.20	Outlays, gross (total)	68	400	400
	<b>Net budget authority and outlays:</b>			
41.80	Budget authority (net)	0	0	0
41.90	Outlays (net)	68	400	400

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0147-0-1-407	ACTUAL	REQUEST	REQUEST
25.2			
Direct obligations:			
Other services	281	999	0
99.9	281	999	0
Total new obligations			



**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**MINORITY BUSINESS RESOURCE CENTER PROGRAM**

**What Is The Request and What Will We Get For the Funds?**

(\$000)				
ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Guaranteed Loan Subsidy	\$316	\$333	\$417	\$84
<u>Administrative Expenses:</u>				
<i>Personnel Compensation and Benefits</i>	\$186	\$174	\$178	\$4
<i>Travel</i>	\$10	\$5	\$5	\$0
<i>Loan Fees</i>	\$152	\$204	\$204	\$0
<i>Other Costs</i>	\$210	\$209	\$209	\$0
Subtotal, Discretionary	\$874	\$925	\$1,013	\$88
<u>Guaranteed Loan Subsidy Reestimate - Mandatory</u>	\$365	\$0	\$0	\$0
<b>GRANT TOTAL</b>	<b>\$1,239</b>	<b>\$925</b>	<b>\$1,013</b>	<b>\$88</b>
Guaranteed Loan Financing	[18,367]	[18,367]	[18,367]	[0,000]
<b><u>STAFFING</u></b>				
Direct Positions	1	1	1	0
Direct FTEs	1.00	1.00	1.00	0.00
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0.00	0.00	0.00	0.00

The Minority Business Resource Center is requesting \$1.013 million and 1 FTE in FY 2015 to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for the Minority Business Resource Center Program**

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

---

The Short Term Lending Program (STLP) supports the DOT **Economic Competitiveness** Strategic Goal by providing certified small businesses, including disadvantaged business enterprises (DBEs) and women-owned businesses, the opportunity to obtain short-term working capital at a reasonable interest rate for DOT and DOT-funded transportation-related contracts. The program guarantees revolving lines of credit to finance accounts receivable arising from DOT-funded transportation-related contracts. The primary collateral is the proceeds of the contracts. The revolving lines of credit are closely monitored to reduce the risk to the government. Access to the lines of credit allows the small business to meet short-term operating costs that it would otherwise be unable to finance, with the goal of increased participation in DOT-funded transportation-related projects. Lines of credit are \$750,000 or less, and DOT guarantees up to 75 percent of the loan. This program is a vital tool to empower certified small business to participate in DOT procurement opportunities and contribute to DOT's achievement of its small business procurement goals. In return for the guarantee, Participating Lenders receive an administrative fee of 1% to 1.5% of the face value of the loan and the chance to establish a banking relationship with the small and disadvantaged business.

In an effort to make the program more available to small and disadvantaged businesses in need of credit to expand their businesses across the country, OSDBU launched an aggressive campaign in 2010 to solicit more Participating Lenders with the goal of having a Participating Lender in each state. As a result, OSDBU began reaching out to Community Development Financial Institutions (CDFIs) whose mission matches the mission of the Office of Small and Disadvantaged Business Utilization.

To date, this effort to broaden lender participation in the program has led to an increase in the volume of new loans over previous fiscal years. Focused, increased outreach to potential Participating Lenders has enabled the program to double the number of Participating Lenders. Currently, 41 Participating Lenders provide 92% coverage of the States.

In addition, focused outreach to small and disadvantaged businesses through SBTRC workshops, OSDBU Small Business Workshops, the State DOTs, and the Participating Lenders, have contributed to the increased loan volume. As part of this effort, OSDBU has effectively utilized the SBTRC program to increase awareness of the STLP and reach out to more small and disadvantaged businesses and potential Participating Lenders across the country.

The combination of more Participating Lenders and increased outreach to small and disadvantaged business has increased the level of activity in the program. In FY 2012, there was a 66% increase in the loan volume due to the outreach and Participating Lender expansion.

### **Anticipated FY 2014 Accomplishments:**

- Increase the number of loans from 21 to 26, which is a 24% increase in loan volume from FY13.

- Increase the Participating Lender coverage to reach 100% coverage of the continental United States, which will also include Alaska, Hawaii, and Puerto Rico.
- Broaden participation in the program, while maintaining or reducing the historically low default rate.

Performance Measures:

The STLP supports the Economic Competiveness Strategic Goal and the following two (2) performance measures:

Economic Competiveness:

- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to small disadvantaged businesses. The FY 2015 target is 15%.
- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to women-owned businesses. The FY 2015 target is 6%.

**Why Is This Particular Program Necessary?**

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

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

The working capital provided by the guaranteed loans enables borrowers to retain and hire more employees to support the transportation-related contracts and allows small businesses to continue to bid on and win more transportation-related contracts. This in turn contributes to the economic growth of our country.

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

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

#### **J.A. Manning Construction Co., Inc.**

J.A. Manning Construction Co., Inc. is a certified Disadvantaged Business Enterprise (DBE). It holds DBE certifications in twenty-three different states. J.A. Manning specializes in the design and construction of retaining wall structures and interlocking pavement systems. The original guaranteed loan was approved for \$250,000 and is a direct result from a workshop with one of our new participating lenders, Seedco Financial. The company was later able to qualify for a \$750,000 line of credit after obtaining a \$4.5 million Texas DOT highway project. In December of 2012, J.A. Manning Construction Co., Inc. graduated from the STLP after it received a \$1,200,000 secured finance line, without the need of a federal government guarantee.

#### **Victor Corporation**

Victor Corporation is a certified Women Owned DBE, SBA 8(a), and HubZone certified company. Victor is a heavy civil excavation and general building company located in Albuquerque, NM, that specializes in demolition, large-scale earthwork, dams, levees, airports, and design/build. Victor Corp. received a guaranteed loan of \$700,000 against a \$1.4 million contract with the Federal Highway Administration through the Central Federal Lands Division to resurface a Bureau of Land Management (BLM) road resulting in Victor Corp. retaining 17 employees and creating 8 new jobs. Victor Corporation is currently seeking a loan renewal.

#### **Van Henkelum, Lynch and Associates, LLC**

Van Henkelum, Lynch & Associates, LLC (VLA) is a small woman owned enterprise, certified as a DBE. The firm specializes in transportation, municipal, site development, and structural engineering projects.

A \$100,000 guaranteed loan to Van Henkelum was a direct result from a workshop in Wisconsin held in conjunction with one of the program's new Participating Lenders, Town Bank. The funds helped retain eight employees. The bank renewed and increased the loan to \$150,000 after Lynch was able to obtain another half million dollar contract. Lynch was able to retain all eight employees and hire one additional employee to complete the project.

#### **Plaza Construction Inc.**

Plaza Construction Inc. is a certified Disadvantaged Business Enterprise (DBE) General Contractor from Denver, Colorado specializing in commercial site and building concrete work. Plaza has been working on the Denver Union Station project, a 50-acre public-private development venture in lower downtown Denver. Plaza received a \$300,000 loan in FY 2011 with a loan renewal in FY 2012 for \$300,000. Utilizing the line of credit, Plaza was able to hire thirty new employees, and complete the work at Denver Union Station. In March 2013, Plaza Construction, Inc. graduated from the STLP, as the lender, Solera National Bank put them in a commercial loan without the need of a federal government guarantee.

### **Other Successes**

In December, 2012, one of our new CDFIs, New Mexico Community Development Loan Fund (NMCDLF), located in Albuquerque, NM. invested \$500,000 to the Bernalillo County Revolving Loan Fund and has helped 16 local businesses obtain start-up funds or expand since its creation in August 2010. In November 2012, NMCDLF participated in a small business summit hosted by Bernalillo County. NMCDLF provided workshops on government procurement and small business assistance and lending. Over 152 businesses attended the event. NMCDLF was recently highlighted in a local Albuquerque newspaper article about the success of micro-lenders entitled, “WorkWise: Need small business financing? Keep dialing.” The article advises, “If you have a good story and a good business, someone out there will be willing to lend to you.” NMCDLF has lent approximately \$49 million to small and disadvantaged businesses since its founding in 1989. The average loan to small and disadvantaged businesses funded by NMCDLF is \$50,000. In December 2012, the Southwest SBTRC participated in a “How to do Business with Metro” in Los Angeles, CA. The Project Director gave a presentation on the STLP to 35 participants. One of our Participating Lenders, Cathay Bank attended the workshop to accommodate loan requests. The event generated two (2) new loans. In February 2013, the Central Region SBTRC participated in the Missouri DOT 2013 EEO Compliance Workshop in St. Louis, MO, giving a presentation on the STLP. There were 40 small businesses in attendance. One of our Participating Lenders, ACCION, TX supported the SBTRC with the event expanding their lending coverage into Missouri to accommodate loan request. The event generated one (1) new loan.

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

The FY 2015 budget request includes baseline changes from FY 2014 for the following items: (1) annualization of the 1 percent pay raise for 2014; (2) an estimated 1 percent pay raise for 2015; (3) adjustments for Working Capital Fund and Federal Employees Compensation Act (FECA) as appropriate; (4) mandated increases in the Federal share of FERS and FEHB costs; and (5) an estimated 1 percent inflation increase and an estimated 1 FTE and associated costs.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**MINORITY BUSINESS RESOURCE CENTER PROGRAM**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$1,239</b>	<b>1</b>
<b>FY 2014 Enacted</b>	<b>\$925</b>	<b>1</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$1	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$2	
Inflation	\$2	
<b>FY 2015 Baseline Estimate</b>	<b>\$931</b>	<b>1</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$82</u>	<u>0</u>
In the first quarter of FY 2014, OSDBU reached 72 participating lenders which gave the program 100% coverage of the states. The broadened participation in the program will lead to an increase in the volume of new loans over the previous fiscal years. OSDBU is estimating a 15% increase in loan volume due to the Participating Lender expansion.		
<b>Total, FY 2015 Request</b>	<b>\$1,013</b>	<b>1</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MBRC PROGRAM ACCOUNT

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification code	FY 2013	FY 2014	FY 2015
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Obligations by Program Activity:</b>			
0002	55	333	417
0707	362	123	0
0708	2	2	0
0709	492	592	596
0900	911	1,050	1,013
<b>Budget resources available for obligation:</b>			
2200	1,239	1,050	1,013
2395	-912	-1,050	-1,013
2398	327	0	0
<b>Budgetary Resources:</b>			
Budget Authority:			
<i>Appropriations, discretionary</i>			
1100	922	925	1,013
1130	-48	0	0
1160	874	925	1,013
<i>Appropriations, Mandatory:</i>			
1200	365	125	0
1930	1,239	1,050	1,013
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	232	200	0
3010	912	1,050	1,013
3011	1	0	0
3020	-841	-1,025	-1,013
3041	-105	0	0
3050	200		
<b>Budget authority and outlays, net</b>			
Discretionary:			
Outlays, gross:			
4000	874	925	1,013
4010	387	925	1,013
4011	89	200	0
4100	365	125	0
4020	841	1,250	1,013
4180	1,239	1,050	1,013
4190	841	1,250	1,013

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER  
PROGRAM ACCOUNT

SUMMARY OF LOAN LEVELS, SUBSIDY BA AND OUTLAYS BY PROGRAM  
(In thousands of dollars)

Identification code	FY 2013	FY 2014	FY 2015
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
<b>Guaranteed loan levels supportable by subsidy budget authority:</b>			
2150 Loan guarantee levels	3,190	18,367	21,955
2159 Total loan guarantee levels	3,190	18,367	21,955
2320 Subsidy rate	1.73	1.76	2.27
2329 Weighed average subsidy rate	1.73	1.76	2.27
2330 Subsidy BA	55	55	333
2339 Total subsidy BA	55	55	333
2340 Subsidy outlays	7	333	417
2349 Total subsidy outlays	7	333	418
2350 Upward reestimate	365	125	0
2370 Downward reestimate	0	27	0
3510 Administrative expense BA	492	592	592
3580 Administrative expense outlays from balances	55	130	0
3590 Administrative expense outlays from new authority	380	592	592

PERSONNEL SUMMARY

Identification code	FY 2013	FY 2014	FY 2015
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
Direct:			
Total compensable workyears: Civilian full-time			
1001 equivalent employments	1	1	1



## Section 3 - FY 2015 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER  
GUARANTEED LOAN FINANCING ACCOUNT

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-4082-0-3-407			
<b>Program by activities:</b>			
00.01 Default claims	25	432	56
00.02 Payment of interest to Treasury	0	0	0
08.02 Downward subsidy reestimate	0	25	0
08.04 Interest on downward subsidy reestimate	<u>0</u>	<u>1</u>	<u>0</u>
10.00 Total obligations	25	458	56
<b>Budgetary resources available for obligation:</b>			
21.40 Unobligated balance carried forward, start of year	213	578	410
22.00 New financing authority (gross)	390	478	417
23.90 Total budgetary resources available for obligation	603	1,056	827
23.95 Total new obligations	<u>-25</u>	<u>-458</u>	<u>-56</u>
24.40 Unobligated balance carried forward, end of year	578	598	771
<b>New financing authority (gross), detail:</b>			
Spending authority from offsetting collections			
Mandatory			
67.10 Borrowing authority	0	0	0
69.00 Offsetting collections (cash)	393	534	417
69.10 Change in uncollected customer payments from Federal sources	-3	-56	0
69.47 Portion applied to repay debt	<u>0</u>	<u>0</u>	<u>0</u>
69.90 Spending authority from offsetting collections (total)	390	478	417
<b>Change in obligated balances:</b>			
72.40 Obligated balance, start of year	0	0	0
73.10 Total new obligations	25	458	56
73.20 Total financing disbursements (gross)	-23	-459	-56
74.00 Change in uncollected customer payments from Federal sources	<u>3</u>	<u>56</u>	<u>0</u>
74.40 Obligated balance, end of year	5	55	0
<b>Outlays (gross), detail</b>			
87.00 Total financing disbursements (gross)	23	459	56
<b>Offsets</b>			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from : Federal sources (subsidy)	25	389	417
88.00 Offsetting collections (cash) from : Federal sources (upward reestimate)	365	125	0
88.25 Interest on uninvested funds	3	20	20
88.90 Total offsetting collections (cash)	393	534	417
88.95 Change in uncollected customer payments from Federal sources	-3	-56	0
<b>Net financing authority and financing disbursements</b>			
89.00 Financing authority	0		
90.00 Financing disbursements	<u>-365</u>	<u>-19</u>	<u>-361</u>

Section 3 - FY 2015 Budget Request by Appropriation

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

STATUS OF GUARANTEED LOANS  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-4082-0-3-407			
Position with respect to appropriations act limitation on commitments			
2111	18,367	18,367	18,367
2142	15,177	0	0
2150	3,190	18,367	18,367
2199	2,393	13,775	13,775
Cumulative balance of guaranteed loans outstanding:			
2210	5,484	3,474	18,367
2231	3,190	18,367	18,367
2251	-5,175	-3,042	-18,311
2263	-25	-432	-56
2264			
2290	3,474	18,367	18,367
Memorandum:			
2299	2,606	13,775	13,775
6300	-365	-19	-361

MINORITY BUSINESS RESOURCE CENTER  
 GUARANTEED LOAN FINANCING ACCOUNT

BALANCE SHEET  
 (In thousands of dollars)

Identification Code	FY 2013
69-4082-0-3-407	ACTUAL
ASSETS:	
Federal assets:	
1101 Fund balances with Treasury	578
1106 Receivables, Net	0
1999 Total assets	578
LIABILITIES:	
2101 Accounts Payable	0
2103 Debt	0
2104 Resources payable to Treasury	0
2204 Non-Federal liabilities: Liabilities for loan guarantees	578
2999 Total liabilities	578
NET POSITION:	
3999 Total net position	
4999 Total liabilities and net position	578

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**CYBER SECURITY INITIATIVES**

**What Is The Request and What Will We Get For the Funds?**

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ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$9,477	\$4,455	\$5,000	\$545
<b>TOTAL</b>	<b><u><u>\$9,477</u></u></b>	<b><u><u>\$4,455</u></u></b>	<b><u><u>\$5,000</u></u></b>	<b><u><u>\$545</u></u></b>

**STAFFING**

Direct Positions	0	0	0	0
Direct FTEs	0	0	0	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

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The Office of the Chief Information Officer is requesting \$5.0 million in FY 2015 to accomplish the mission outlined on the pages that follow.

## Detailed Justification for the Cyber Security Initiatives

### What Is This Program/Activity?

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The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT), cyber security, privacy, and records management advisor to the Secretary. The Office of the CIO (OCIO) supports the **Organizational Excellence** Strategic Goal.

A major focus of the FY 2015 Cyber Security Initiatives request will be for necessary upgrades to the wide area network and information technology infrastructure, building on and continuing accomplishments achieved in FYs 2012 - 2014. The funding will position DOT to address evolving risks in cyber security by expanding and strengthening the environment that will properly align the Wide Area Network (WAN) and existing Campus Area Network (CAN). The appropriation will provide funding to continue upgrades for the WAN to strengthen cyber security at DOT, replacing failing pieces of the existing infrastructure, and properly implementing infrastructure components to support the Cyber Security Cross-Agency Priority (CAP) goals.

A limited capital asset replacement reserve is maintained in the Working Capital Fund (WCF) to support replacement of existing capital assets in the CAN. The current equipment replacement reserve balance in the WCF is composed primarily of equipment purchased for the New Headquarters (HQ) Building infrastructure - intended to support only the DOT HQ campus. The New HQ equipment infrastructure was purchased in FY 2006 with a special appropriation and was transferred into the WCF starting in FY 2008 for operational support, maintenance and future reserves.

In line with the original purpose of the New HQ Building equipment purchase, the WCF assets will continue to support the CAN associated with the DOT HQ. The Cyber Security Initiatives appropriation will focus on funding the WAN, building on and continuing accomplishments achieved in FYs 2012 - 2014. This includes infrastructure outside of the DC campus, focusing on the field network expansion. By consolidating all DOT networks into the Common Operating Environment (COE) through an expanded and stabilized WAN, the Department will be more secure through a standardized, integrated environment.

The updated infrastructure approach supports the Departmental cyber security plan, which is a holistic initiative that invests in people, process, and technologies at strategic, operational, and tactical levels.

### **Anticipated FY 2014 Accomplishments:**

The \$4.455 million appropriated in FY 2014 will allow DOT to make progress in complying with CAP goals in addition to deploying improvements to increase security relating to transportation related business operations. The appropriation will assist in deploying tools to strengthen the DOT technology infrastructure. Improvements will allow a more proactive approach in identifying and remediating vulnerabilities.

Specific areas for improvement will focus on remediation of vulnerabilities associated with the CAP goals. In particular, DOT is working to improve the Departmental scores in Continuous Monitoring, Personal Identification Verification (PIV) cards, and Trusted Internet Connection (TIC). DOT will utilize the Cyber appropriation to deploy tools that will show an increase in DOT's compliance in these areas. Funding will continue for the Continuous Monitoring program, and Secure Remote Access will be enhanced to address specific vulnerabilities associated with secure remote access.

DOT will also work to replace out-of-date infrastructure in support of the WAN modernization. Areas of focus will include replacement of legacy infrastructure in the field, consolidation of duplicate systems, and the upgrade of current services to serve a wider user base. As part of the WAN modernization, the virtualized server environment will be enhanced and circuits will be upgraded in support of the Federal Data Center Consolidation Initiative (FDCCI). The funding will also provide replacement of network hardware to support increase usage and security requirements in the WAN. In all areas, work will address DHS compliance elements and OIG recommendations.

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

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The DOT operates and oversees significant elements of the critical transportation and information technology (IT) infrastructure of the United States. Much of the DOT framework relies upon, and is integrated with, computer networks, computer mediated communications, online databases, and a wide variety of other computer and computer network capabilities. With the increasing interconnectivity between DOT, other Federal, State, and local government agencies, and the private sector entities it regulates, and an ongoing modernization to include commodity Internet-based technologies, new dependencies, relationships, and vulnerabilities are created that did not previously exist, resulting in new risks to the DOT IT infrastructure.

Another challenge is supporting the ongoing COE field consolidation, which requires integration of the HQ assets with existing Operating Administration (OA) owned field assets. The current Capital Asset replacement reserve in the WCF will not support the purchases for field asset and bandwidth integration. The current reserve also does not adequately support the expanding network and security requirements or new technology enhancements. This initiative will build the necessary Wide Area Network infrastructure to support expanding OMB-mandated DOT network security requirements and network field integration.

While the WCF includes a funding ceiling, or allowance, for the migration of user seats into the Common Operating Environment (COE), it does not support the refresh or modernization of the infrastructure that is currently outside of the COE. The current equipment replacement reserve in the WCF is composed primarily of equipment purchased for the New HQ Building infrastructure - intended to support only the DOT HQ campus. The current reserve will not support the purchase of field assets and bandwidth integration. Additionally, it does not adequately support the expanding network and security requirements or new technology enhancements, and DOT is not, at this time, proposing to increase WCF charges to cover these costs. The funding request will allow DOT to begin building the necessary infrastructure to

support both expanding OMB-mandated DOT network security requirements and network field integration. The funding will support a detailed analysis and assessment of the field assets, hardware and software procurements to support the updated infrastructure, engineering integration services for deployment, and security authorization.

DOT plans to request funding through the Cyber Appropriation on a permanent basis. Purchases will continue to be in support of the remediation of current cyber vulnerabilities or the modernization of the DOT Wide Area Network.

The projected permanence of the Cyber appropriation is reflective of the urgent and growing need to increase Cybersecurity at DOT. Although DOT has made progress towards compliance activities associated with the Cross-Agency Priority (CAP) goals and FISMA-related findings through the Cyber appropriation, numerous vulnerabilities remain. In many cases, vulnerabilities are identified on an ad hoc basis, often based on activities external to DOT. In other cases, new remediation tools or updated standards are released within a budget year. The Cyber appropriation allows the Department to respond to these changes in a more agile, effective way to reduce identified vulnerabilities as soon as possible.

DOT recognizes that many purchases completed in the Cyber appropriation initially can be transferred to other existing funding sources once products and services are operational. The transfer of these purchases will be considered and executed on an investment-level basis. Purchases can be categorized as follows:

- a) New capabilities or initiatives driven out of the White House, Office of Management and Budget (OMB) and/or Department of Homeland Security (DHS) – Examples include MTIPS, Continuous Monitoring, and Personal Identification Verification (PIV). These purchases are expected to remain within the Cyber appropriation, unless new tool deployment results in decommissioning legacy equipment. In the case where a service and/or tool replaces an existing solution, the ongoing costs would be transferred into the Working Capital Fund (WCF). Transfers are expected to be an offset, as the WCF would no longer support legacy tools.
- b) Fixing OCIO/ITSS Cybersecurity weaknesses and/or gaps – Examples include Trusted Internet Connection (TIC) controls and multifactor authentication for remote access. These purchases are an expansion to what is in the WCF, as they are an enhancement to current equipment. Asset purchases in the WCF are based on existing equipment, so enhancements are not supported. The next generation of these purchases are expected to transfer to the WCF.
- c) Replacing and/or enhancing services for which the WCF reserve funds do not cover the costs (scope) or are insufficient (magnitude) – Examples include Secure Remote Access, EMS365 network circuits and communications, and communications consolidation in the field. These purchases are expected to transfer to the WCF once the system is operationalized and existing duplicate systems are decommissioned. The systems would run in parallel until legacy systems are decommissioned.
- d) Fixing Operating Administration (OA) Cybersecurity weaknesses, non-compliance, and gaps – Examples include United States Merchant Marine Academy (USMMA)

Multiprotocol Label Switching (MPLS) connection to establish TIC compliance. This connection results in an annual fee for DOT. This kind of purchase is funded in the Cyber appropriation temporarily because of the vulnerability to the DOT network, with the host OA absorbing the annual costs.

- e) Ongoing maintenance and support for prior year/cycle cyber fund purchases that are in line with DHS-sponsored solutions. Examples include IBM Tivoli Endpoint Manager (TEM) and BigFix maintenance. The DHS Continuous Diagnostics and Mitigation (CDM) Program will be monitored and the ultimate solution will be to join the solution DHS provides.

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

The DOT OCIO is requesting \$ 5 million of cyber security funding for FY 2015. This is an increase of \$500 thousand to provide necessary resources for DOT to continue to improve the compliance of DOT's cyber security posture. Specifically, DOT will continue to address the recommendations from the Inspector General in addition to the Cyber CAP goals, with a specific focus on improving the composite scores of the three TIC locations, in Washington DC, Oklahoma City, and Atlantic City.

In FY 2015, DOT will continue to support infrastructure elements procured in FYs 2012 - 2014. Specifically, funding will maintain the Secure Remote Access user base preserving the Department's capabilities for remote and mobile employees.

Additionally, we will focus on the Continuous Monitoring solution that was implemented in FY 2012. We will continue to fund the maintenance and deployment of the tool FY 2015. The monitoring activities improve visibility into patterns of malicious and anomalous activity. The funding will allow DOT to continue the configuration and training that is required for an effective Continuous Monitoring solution.

The funding will also continue to refresh and modernize the disparate infrastructure in the field. Specifically, this funding will focus on WAN infrastructure components in the areas of Network Infrastructure and Server Infrastructure. Specifically this funding will expand the WAN and provide key program enhancements to achieve the end goal of implementing an adequate WAN to shift the Department from a reactive posture to a proactive approach that avoids system compromise and information loss to the maximum extent practicable.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**CYBER SECURITY INITIATIVES**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$9,477</b>	<b>0</b>
<b>FY 2014 Enacted</b>	<b>\$4,455</b>	<b>0</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$45	
<b>FY 2015 Baseline Estimate</b>	<b>\$4,500</b>	<b>0</b>
<u>FY 2015 Program Changes (+/-):</u>	\$500	0
<p>This additional funding continues the support of infrastructure elements (especially for remote and mobile employees); funds and deploys the continuous monitoring solution; and refreshes and modernizes the disparate infrastructure in the field.</p>		
<b>Total, FY 2015 Request</b>	<b>\$5,000</b>	<b>0</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request
69-0159-0-1-407			
<b>Obligations by program activity:</b>			
0.01 General Administration	7,272	12,901	5,000
0.91 Direct program activities, subtotal	7,272	12,901	5,000
9.00 Total new obligations	7,272	12,901	5,000
<b>Budgetary Resources:</b>			
10.00 Unobligated balance brought forward, Oct 1	6,270	8,446	0
10.50 Unobligated balance (total)	6,270	8,446	0
<b>Budget Authority: appropriations, discretionary</b>			
11.00 Appropriation	10,000	4,455	5,000
11.30 Appropriations permanently reduced (disc)	-523	0	0
11.60 Appropriations, discretionary (Total)	9,477	4,455	5,000
19.00 Budget Authority (Total)	9,477	4,455	5,000
19.30 Total Budgetary Resources Available	15,747	12,901	5,000
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring	-30	0	0
19.41 Unexpired unobligated balance, end of year	8,446	0	0
<b>Change in obligated balance:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	716	4,573	7,000
30.10 Obligations incurred, unexpired accounts	7,272	12,901	5,000
30.20 Obligated balance, Outlays (gross)	-3,415	-10,474	-946
30.50 Unpaid obligations, end of year	4,573	7,000	11,054
<b>Uncollected payments:</b>			
<b>Memorandum (non-add) entries:</b>			
31.00 Obligated balance, start of year	716	4,573	7,000
32.00 Obligated balance, end of year	4,573	7,000	11,054
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	9,477	4,455	5,000
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	58	4,009	500
40.11 Outlays from discretionary balances	3,357	6,465	446
40.20 Outlays, gross (Total)	3,415	10,474	946
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
40.40 Total offsetting collection (cash)	0	0	0
Additional offsets against gross budget authority only:			
40.60 Additional offsets against budget authority only (total)	0	0	0
41.80 Budget authority, net (disc. and mand.)	9,477	4,455	5,000
41.90 Outlays, net (disc. and mand.)	3,415	10,474	946

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-0159-0-1-407	Actual	Enacted	Request
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	1,632	4,738	2,210
25.2 Other services	1,073	2,575	604
31.0 Equipment	4,567	5,588	2,186
99.9 Total obligations	<u>\$7,272</u>	<u>\$12,901</u>	<u>\$5,000</u>

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-0159-0-1-407	Actual	Enacted	Request
1001 Total compensable workyears: Full-time equivalent employment	0	0	0

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY  
FY 2015 Congressional Budget Submission**

**OVERVIEW**

The Office of the Assistant Secretary for Research and Technology requests \$14.6 million in FY 2015, a reduction of \$.140 million from the FY 2014 President’s budget for programs and activities. The Office of the Assistant Secretary for Research and Technology’s FY 2015 request supports all of the Department’s strategic goals and objectives. This budget request reflects our mission to coordinate, collaborate, and maximize the effectiveness of the Department’s research, development, and technology portfolio as well as enhancing the data collection and statistical analysis programs to support data-driven decision-making across the Department. This budget request ensures that decision-makers will have access to robust data and analysis, advanced research, and cutting-edge technologies.

The elevation of the Research and Innovative Technology Administration into the Office of the Secretary (OST) provides opportunities for increased collaboration at the Department policy level. OST-R works across the Department by collaborating with partners from other federal agencies, state and local governments, universities, stakeholder organizations, transportation professionals, and system operators. From conducting advanced research to providing funding to test and evaluate new approaches across modes, OST-R enables and accelerates transportation innovation.

OST-R will serve the department’s strategic goals and priorities by providing advice to policy makers about the kinds of research needed to achieve the goals and priorities as well as identify gaps in research, by topic and type. Additional coordination between research and policy includes issues related to:

- Transportation Planning Research and Development activities within OST
- Positioning, Navigation, and Timing (PNT) and Spectrum Management
- Aviation related issues between the Office of the Assistant Secretary for Research and Technology’s Office of Airline Information (OAI) and the Office of the Under Secretary for Policy Aviation and International Affairs
- Greater coordination of Intelligent Transportation System Joint Program Office (ITS-JPO) with FAA (NEXTGEN), Positive Train Control (FRA) and Wireless Waterways (MARAD)

To achieve our mission, the FY 2015 request includes:

- OST-R manages and conducts the strategic planning, coordination, facilitation, and review of the Department’s research programs. Key components such as the Research Development & Technology (RD&T) Planning Council and Planning Team provide critical coordination and leadership among modal administrations and stakeholders. In addition, OST-R’s Alternative Fuels R&D program provides collaborative and coordinated work to examine multi-modal and cross-modal transportation efforts to reduce American reliance on fossil fuels, reduce greenhouse gas emissions and promote fuel efficiency.

- OST-R is responsible for coordinating and developing Positioning, Navigation and Timing (PNT) technology, as well as PNT policy coordination and spectrum management. The PNT program enables OST-R to fulfill the Department's civil PNT leadership role in ensuring federal civil agencies have significant participation in and are adequately represented in the joint management of the Global Positioning System (GPS). OST-R also funds the Nationwide Differential Global Positioning System (NDGPS) program, which provides national, real-time accurate dynamic positioning and navigation information at one-to-three meters for surface transportation and other users.

### **Other Critical Transportation Research Programs**

The Bureau of Transportation Statistics (BTS) (Highway Trust Fund) account request is \$29 million, an increase of \$3 million over the FY 2014 President's Request. The total FY 2015 funding request will enhance the data collection and rigorous statistical analysis programs in support of data-driven decision-making that will affect major DOT strategic objectives moving forward, such as advancing transportation safety, driving economic competitiveness and ensuring environmental sustainability. This funding supports the DOT's objective of making transportation investments and policy decisions based on sound analytical data. BTS also maintains an Airline Transportation Statistics Program that is reimbursed from the Federal Aviation Administration's operations budget and a reimbursable Confidential Close Calls Data Program.

- The \$3 million increase to the BTS program will support the Travel Data Initiative. The Travel Data Initiative collects long distance intercity passenger travel data. Long distance and local travel are key contributors to safety risk exposure, infrastructure performance, greenhouse gas and other emissions, and economic performance. This information will provide timely and comprehensive data regarding long distance intercity highways, aviation, and high-speed rail. The proposed Travel Data Initiative reestablishes the Omnibus Household Survey, the Vehicle Inventory and Use Survey, and the development of strategies for measuring long-distance travel from a combination of targeted surveys, administrative records, and "big data" analyses of emerging data sources such as Global Positioning System tracks.

The University Transportation Centers (UTC) program (\$82 million) advances U.S. technology and expertise in many transportation-related disciplines and advances Departmental priorities through baseline funding for university-based transportation education, research, and technology transfer. The UTC program is funded by an allocation from the Federal Highway Administration.

The FY 2015 budget request for the Intelligent Transportation Systems (ITS) program is \$113 million. ITS technology solutions offer the opportunity to reduce crashes, fatalities and injuries; therefore, it improves public health, efficiency, reliability, and mobility and reduces fuel consumption and greenhouse gas emissions. Vehicle-to-vehicle and vehicle-to-infrastructure communications safety applications are designed to increase situational awareness and reduce or eliminate crashes through data transmissions that support driver advisories, driver warnings, and vehicle and/or infrastructure controls. With these multimodal applications for light vehicles, trucks, buses and fleets of all kinds, vehicle-to-vehicle and vehicle-to-infrastructure communications may

potentially address up to 80 percent of crash scenarios involving unimpaired drivers, preventing tens of thousands of automobile crashes every year. Further research and analysis will incorporate heavy vehicles, including buses, motor carriers, and rail.

**Fee-For-Service Organizations**

The John A. Volpe National Transportation Systems Center (Volpe Center) advances technical, operational, institutional and managerial innovations to improve the nation's transportation system. The Volpe Center provides a unique capability in the synergy of transportation expertise with its institutional knowledge of global transportation systems.

The Transportation Safety Institute provides transportation safety training to Federal, state and local government, private sector, and foreign transportation professionals on a cost-recovery basis. These organizations are both fee-for-service and do not receive direct appropriations.

## Detailed Justification for Salaries and Administrative Expenses

### FY 2015 – Research and Technology (General Fund) Account

#### What Do I Need To Know Before Reading This Justification?

The Office of the Assistant Secretary for Research and Technology mandate is to coordinate research across the Department to maximize and leverage the taxpayer's \$1.2 billion annual investment in transportation research, development, and technology (RD&T) activities.

The Salaries and Administrative Expenses line item provides for salaries and administrative expenses to carry out the mission for the staff funded from the Research and Technology account.

The functions of this office are supported by 26 FTE.

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

##### FY 2015 - Salaries and Administrative Expenses - Budget Request

(\$000)

	<b>FY 2013 ACTUAL</b>	<b>FY 2014 ENACTED</b>	<b>FY 2015 REQUEST</b>	<b>Difference from FY 2014 Enacted</b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	4,031	4,219	4,219	0
Travel	90	90	90	0
Other Costs	2,488	2,238	2,098	-140
<b>TOTAL</b>	<b>6,609</b>	<b>6,547</b>	<b>6,407</b>	<b>-140</b>
<b><u>STAFFING</u></b>				
Direct Positions	36	36	36	0
Reimbursable Positions	0	0	0	0
Direct FTE	26	26	26	0
Reimbursable FTE	0	0	0	0

#### What Is This Program?

This request provides \$6.407 million for the salaries, program management and program support administrative expenses that support the Research and Development (R&D) account. The base funding provides for the pay raise, inflation, and other associated operating expenses and contract services. The FY 2015 request is a reduction of \$.140 thousand from the FY 2014 President's Request.

The salaries and administrative expenses line item in the R&D account provides organized program management and program support services necessary to coordinate and sustain the mission programs of the Office of the Assistant Secretary for Research and Technology.

The Office of the Assistant Secretary for Research and Technology is fully committed to reducing wasteful spending and programs that do not work, strengthening and streamlining programs that do work, transforming government operations to save money, and improving performance to make government more responsive and open to the needs of the American people. To achieve this objective, this organization has embarked on several administrative cost saving initiatives: reducing IT costs by repurposing and consolidating servers and using the cloud environment where possible; limiting the number of IT devices issued to program staff; standardizing to black and white printers to eliminate costly color toner cartridge charges; reducing travel expenses by participating in meetings via telecom and VTC whenever possible; reducing publication and shipping costs by making documents available online; increasing webinar usage to engage critical stakeholder groups; reducing travel expenses by limiting the occurrence of meetings outside the DC area; and partnering with other DOT agencies to reduce training costs.

Operating expenses include salaries and benefits to support 26 FTE (\$4.219 million); travel (\$90 thousand), GSA rent (\$640 thousand), printing (\$1 thousand), Working Capital Fund (\$1.165 million), supplies (\$15 thousand), equipment (\$101 thousand), and other common services (\$176 thousand). Common service expenses include accounting systems and services; HR systems and services; e-Gov; IT hardware and software; SharePoint and web services.

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

This program is necessary to provide leadership and program management and program support services that improve and sustain existing operations, coordination, and program performance. The Office of the Assistant Secretary for Research and Technology has built a highly educated and diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the nation's long-term social, economic, security and environmental needs. The workforce will be capable of handling any complex transportation issues that might occur and provide important opportunities for staff to sharpen existing competencies and develop aspiring leaders for the future. In addition, the staff will develop program and policy guidance for stakeholders, launch multimodal RD&T workforce developments programs, and execute essential human capital, and other organizational services.

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

This funding provides for organized program management and program support services necessary to coordinate and sustain the mission programs of the Office of the Assistant Secretary for Research and Technology.

The Office of the Assistant Secretary for Research and Technology's organizational performance is measured by its ability to provide high quality service in program management and program



support services. In order for this organization to effectively operate and sustain the coordination of transportation systems research, sufficient staffing is necessary and operating expenses are required.

**Detailed Justification for Research, Development, and Technology Coordination (RD&T)****What Do I Need to Know Before Reading This Justification?**

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The RD&T coordination program is responsible for coordinating both USDOT and external research, facilitating collaboration, and assisting in technology transfer. This program influences collaborative efforts between Operating Administrations and other Federal agencies, creating efficiencies between research programs, reducing redundant research, and ultimately saving tax payer dollars. This effort requires extensive resources for outreach to stakeholders in the research community. Such outreach is essential in the strategic planning of research and the transfer of research outcomes to the users for implementation.

In addition, with new authority from Move Ahead Progress-21(MAP-21), RD&T will fund a few small, select research projects of critical importance to the Department. The RD&T Coordination program provides critical support to identify collaborative research and development opportunities, strengthen multi-modal research efforts, and avoid duplication.

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

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**FY 2015 - RD&T Coordination**

(\$000)

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>Difference</b>
	<b>ACTUAL</b>	<b>ENACTED</b>	<b>REQUEST</b>	<b>from FY 2014</b>
				<b>Enacted</b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	482	509	509	0
<b>TOTAL</b>	<b>482</b>	<b>509</b>	<b>509</b>	<b>0</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification. □

<sup>2</sup>Reflects contract funding only.

The funding request for FY 2015 is \$509 thousand; and will allow the RD&T Coordination program to continue its main mission of research coordination--both internal and external to the USDOT--and technology transfer to the implementers of research outcomes. This is accomplished through interaction with transportation system stakeholders to develop a national research agenda via workshops, conferences, and symposia, both domestically and internationally, to create synergistic research opportunities and eliminate duplicative research efforts.

A critical part of fulfilling this charge is the maintenance of the USDOT Research Hub, a database of active and recently completed research projects funded by the Department. The Research Hub is an RD&T product that has been available to the public since January 2012, which receives positive feedback from the transportation research community, other USDOT operating administrations, and USDOT's external stakeholders. Keeping this database up-to-date is essential for providing information to political decision makers and researchers. Funding will be used to maintain up-to-date database content, add new information on "real world" research implementation, and upgrade the web interface to enhance ease of use and search capabilities. FY 2015 funding is also required to conduct cross-modal reviews of the Department's research portfolio.

The dissemination of scientific research information and results to facilitate commercialization through technology transfer activities is a new emphasis within the program, and the effort in this area has increased significantly over the past two years. A technology transfer specialist works with all modal administrations to help them understand the potential for commercialization of research outcomes. We also manage intellectual property development with operating administrations in support of commercialization of new technologies.

The development and maintenance of a USDOT R&D strategic plan and annual reports are also a key responsibility of this program.

### **What Is This Program?**

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The base program funding of \$509 thousand supports critical activities to ensure coordination, collaboration, efficiencies in research, and technology transfer, both internal and external to the USDOT. Tools such as strategic plans, annual reviews of modal research efforts, annual reports, meetings, workshops, and the USDOT Research Hub are utilized to accomplish these activities.

**Strategic Goals:** Safety, State of Good Repair, Economic Competitiveness, Quality of Life in Communities, and Environmental Sustainability.

**Purpose:** The RD&T Coordination program provides strategic direction and fosters coordination and collaboration of the Departmental research programs. RD&T Coordination enhances the Department's ability to foster technology transfer, ensure implementation of research results, and inform RD&T stakeholders of Departmental research activities. The facilitation of collaboration between the Operation Administrations is also a key element of this coordination activity.

**Beneficiaries:** DOT cross-modal and mode-specific research programs, researchers both within and outside of the Department, and ultimately users and managers of the transportation system.

**Partners:** The Office of the Assistant Secretary for Research and Technology will work with the following partners to ensure fulfillment of the RD&T Coordination program's goals:

- Federal Aviation Administration
- Federal Highway Administration
- Federal Motor Carrier Safety Administration
- Federal Railroad Administration
- Federal Transit Administration
- Maritime Administration
- National Highway Traffic Safety Administration
- Office of the Secretary of Transportation
- Pipeline and Hazardous Materials Safety Administration
- St. Lawrence Seaway Development Corporation
- External stakeholders, including other Federal agencies, academic institutions, State DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including owners and operators of transportation infrastructure.

**Anticipated FY 2015 Accomplishments:**

The RD&T Coordination program will:

- Apply the Implementing Arrangement (IA) with the European Commission that will enable better US - EC strategic transportation research coordination.
- Maintain and improve the *USDOT Research Hub* database and website.
- Hold, in cooperation with Transportation Research Board (TRB) and the European Union, The Third International Research Symposium in Washington, DC to provide a forum for cutting edge international research, and to identify future collaborative research opportunities.
- Serve as the USDOT representative to the International Transport Forum's Joint Transport Research Committee (ITF/JTRC).
- Maintain and execute the USDOT-wide Technology Transfer Plan (required by Presidential Memorandum, Accelerating Technology Transfer and Commercialization of Federal Research in Support of High-Growth Businesses, October 28, 2012).
- Implement a policy that increases public access to USDOT-funded publications and digital data, meeting the requirements of the February 2013 memorandum from the White House Office of Science and Technology Policy.
- Perform multiple internal USDOT duties, including chairing the RD&T Planning Team and serving as secretary for the RD&T Planning Council.
- Serve as DOT's Departmental Scientific Integrity Officer (DSIO).
- Serve as a research liaison between State DOTs and the USDOT.
- Serve as the USDOT representative to the Federal Laboratory Consortium for Technology Transfer.

In addition, coordination management activities will include preparing the annual RD&T Section V

budget guidance, RD&T budget analysis for the Secretary, the annual RD&T Funding Report, along with monitoring the implementation of the *DOT RD&T Strategic Plan FY2013-FY2018*, and coordinating domestic and international research activities to create efficiencies and reduce duplication.

The program will also examine the potential to fund small, time-critical research projects deemed suitable. These activities help to guarantee a forward looking research agenda, collaboration amongst researchers sharing like interests, and increased implementation of research outcomes.

This program's coordination activities are overseen by the RD&T Planning Council and RD&T Planning Team. These groups are convened at the Assistant Secretary level and Deputy Assistant Secretary-level, respectively, to provide a forum for inter-agency collaboration and coordination.

The activities of the RD&T Coordination program are a benefit to USDOT cross-modal and mode-specific research programs, senior Departmental leadership, researchers within and outside of the DOT, stakeholders, Congress and oversight agencies, and ultimately users and managers of the transportation system.

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

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RD&T coordination activities enable the Office of the Assistant Secretary for Research and Technology to better recognize and use the synergies in the Department's RD&T programs and to identify opportunities for collaborative research efforts.

Transportation research funding is a smaller percentage of total industry expenditures when compared to that spent in other industries. Therefore, the transportation research community must be extremely efficient in its use of funds, creating synergistic research opportunities and avoiding duplication of effort. The RD&T Coordination program has, at its core, the responsibility to ensure the most efficient use of research funding within the Department. Through activities sponsored by this program, staff may reach out to domestic and international researchers to ensure the best use of research funds and efforts across the global transportation research community. Beyond the coordination of research, this program also helps ensure that research outcomes are implemented and monitored to determine societal benefits and research value. In addition, this program provides the funding necessary to conduct and execute critical research on solutions to pressing issues and unexpected problems confronting the Department.

The USDOT Research Hub ([www.rita.dot.gov/researchhub](http://www.rita.dot.gov/researchhub)) provides project-level access to USDOT's research portfolio and is essential to developing collaborative research and avoiding duplicative work. This program provides the funds for the maintenance and improvement of this database.

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

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A beta version of the *USDOT Research Hub* was launched successfully in January of 2012, providing unprecedented access to USDOT's research portfolio, benefitting researchers, decision makers, and the broader transportation community. Using feedback received on the beta version,

the site has been upgraded to version 1.0, and now contains over 6,000 individual project records, over 1,000 links to final project reports, in addition to descriptions of project outputs, products, and other “real world” project impacts.

The collaborated work between the RD&T Coordination program and the Federal Transit Administration (FTA) resulted in a small business innovative research (SBIR) grant to Tiramisu Transit, LLC. This grant will fund a feasibility study on the commercialization of a mobile social computing system that will connect riders and transit service providers. This project demonstrated both increased intermodal collaboration and increased effort to implement research outcomes.

Finally, the RD&T Coordination program prepared several important documents within the past year:

- Development of a 2013-2018 DOT RD&T Strategic Plan, as mandated by Congress, in 2013, with input from all the modal administrations required by MAP-21.
- A memorandum establishing a new scientific integrity policy within the USDOT in response to a mandate from the White House Office of Science and Technology Policy. This memo defines nine policy principles upon which the policy is founded and designates the RD&T Associate Administrator as the Departmental Scientific Integrity Officer.
- USDOT response to Office of Management and Budget’s Presidential Memorandum on Technology Transfer.
- USDOT response to the Presidential Commission for the Study of Bioethical Issues.
- Implementation Manual to provide guidance to Operating Administrations on the new Departmental Scientific Integrity Policy

Regular activities conducted under this program that encourages and facilitates collaboration and coordination of transportation research across the modes includes:

- Monthly RD&T Planning Team meetings.
- Semi-annual RD&T Planning Council meetings.
- Annual Departmental RD&T Program Reviews.
- Annual RD&T section V budget guidance.
- Annual Departmental RD&T Budget analysis to ensure alignment with the Secretary’s priorities, along with the USDOT Strategic Plan and the President’s budget.
- Participation in stakeholder activities to enforce the mission of research coordination.

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

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Without this funding, on-going advancement in information flow and awareness of intermodal activities would be greatly curtailed or lost. This would slow adoption of best practices and decrease project research transparency. A recent success story in this effort is a bridge deck inspection robot developed by FHWA and Rutgers University (a UTC). Through the Office of the Assistant Secretary for Research and Technology, technology transfer and intellectual property experts are assisting FHWA in developing a commercialization agreement with Rutgers in order to accelerate further development of the robot and production for commercial use. In addition, the

*USDOT Research Hub* and technology transfer initiatives are critical to the availability of key information for coordinating research across modal administrations and across the transportation research community as a whole.

The funding level allocated to this program over the past several years has been sufficient to carry out the ongoing core RD&T Coordination program activities as described in the previous sections. The new authority granted in MAP-21 to fund small, time critical research projects and the review of the R&D Strategic Plan and annual reports by the National Academies makes the entire requested budget level necessary to allow an effective implementation of this program.

### Detailed Justification for Alternative Energy R&D

#### What Do I Need to Know Before Reading This Justification?

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The Alternative Energy program is a collaborative and coordinated effort to examine multimodal and cross-modal transportation efforts to reduce the reliance on fossil fuels in order to increase vehicular energy efficiency and reduce greenhouse gas production. It leverages coordination efforts outside the Department by coalescing similar initiatives and investments identified in the Energy Independence and Security Act of 2007, the Renewable Fuel Standards Program, as well as other government efforts to move the nation towards clean-energy based transportation.

The program convenes Departmental program managers, researchers and external stakeholders to develop intermodal/multimodal projects in alternative energy pathways. The results support the Department's Environmental Sustainability strategic goal. The program facilitates cooperation across the Department on alternative energies and interacts with the inter-departmental Biomass Research and Development (R&D) Board and other inter-departmental organizations focused on clean-energy based transportation.

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

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##### FY 2015 - Alternative Energy R&D

(\$000)

	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	Difference from FY 2014 Enacted
<b>FUNDING LEVELS</b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	473	499	499	0
<b>TOTAL</b>	<b>473</b>	<b>499</b>	<b>499</b>	<b>0</b>
<b>STAFFING</b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification. □

<sup>2</sup>Reflects contract funding only.



The budget request sustains the base program at previous funding levels and continues to facilitate cooperation and leverage investments across, and outside, the Department to address the impacts of alternative energy use in the transportation system and to ensure safe and efficient deployment.

**Key Actions and Anticipated Milestones:**

- Continue the Federal Motor Carrier Safety Administration (FMCSA) commercial vehicle safety training and education for hydrogen hazardous awareness and other alternative fuels.
- Conduct a competition to identify alternative energy projects that improve the transportation system's ability to support this emerging industry and promote energy independence.
- Collaborate with other Federal agencies and external partners, to heighten awareness and leverage resources in conducting alternative energy research.
- Adapt transportation applications of long-term research performed by other Federal agencies and state and local governments.
- Allocate funds competitively to intermodal and multimodal alternative energy projects under the auspices of the multimodal RD&T Planning Council and Planning Team.
- Establish storage and disposal procedures for high pressure vehicle cylinders.
- Establish the Clean Transportation Sector Initiative interagency agreement with the Department of Energy

**Key Outputs Expected:**

- Multimodal focused alternative energy research and education products examining safety, logistical, and distribution issues of alternative energies approaching market level production.
- First responder training and safety handling products to assist in developing a safe and responsive alternative fuels delivery system.
- Roadmapping and cost benefit analysis of long-term clean transportation strategies

**Key Outcomes Expected:**

- Safe and efficient transportation system delivery of alternative energies for vehicles.
- Educating the transportation industry and technology investors on the impacts of alternative energies on the transportation system.

**What Is This Program?**

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**Strategic Goals:** Environmental Sustainability.

**Purpose/Beneficiaries:** This program convenes the Office of the Assistant Secretary for Research and Technology's alternative energy program managers and researchers to select projects that leverage and improve the current state of knowledge.

**Partners:** Federal Highway Administration, Federal Aviation Administration, Pipeline and Hazardous Materials Safety Administration, Maritime Administration, Federal Motor Carrier Safety Administration, Federal Transit Administration, Federal Railroad Administration, National Highway Traffic Safety Administration, Office of the Secretary of Transportation

**Description:** Funding allows the Office of the Assistant Secretary for Research and Technology to bring together intra-agency partners as well as external stakeholders including those from other

Federal agencies, to pursue activities with broad appeal and need. The program's competitive review process allows it to support initiatives that best sustain the collective transportation missions and objectives.

**Prior Year Accomplishments:**

- Continued research on the transition to alternative energies and infrastructure readiness.
- Entered into an interagency agreement with the National Renewable Energy Lab to research pathways to expand alternative energy usage in the transportation sector.

**Why Is This Particular Program Necessary?**

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The Alternative Energy program funding allows collaborative research and education aimed at reducing the Nation's reliance on petroleum as the primary transportation energy source. The program supports research investments across the Federal government to maximize the benefits of alternative energy in our nation's transportation system. The program supports the Department's environmental sustainability strategic goal and aims to expand the safe and efficient deployment of alternative energy within the transportation system.

Without this funding, the ability to support, collaborate, and coordinate the deployment of alternative energy types thereby providing the opportunity for the public to choose between energy sources would be lost.

**How Do You Know the Program Works?**

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**Effective:** The Department's modal administrations and their stakeholders identify the synergies and challenges to prioritize the needed research to advance the use of alternative energies within the transportation sector. The resulting research and education products continue to be well received and widely disseminated. In addition to information sharing and development of best practices, the results of this research will be measured in:

- Technological advances evidenced through patents and technology demonstrations.
- Increased scientific knowledge measured by numbers of publications and citations.
- Promulgation of training materials, rules, regulations and standards based on research results.

**Research:** Research is used to advance the application and the safe, efficient distribution of alternative energy in a multimodal system. This includes the need to transport newly developing feed stocks and fuels from source to user, as well as determining optimal delivery of other energy such as electricity and hydrogen throughout the transportation system. Current systems are structured for the chemical composition of petrochemical fuels, which present different corrosive, safety, and flammability properties from alternative energy and from feed stocks used to create them. Standards, regulations, handling, deployment road mapping, and training information are desired from research results.

**Efficient:** The Office of the Assistant Secretary for Research and Technology plays a coordinating role, leveraging funds to pursue research that has multimodal relevance, particularly in the identification of safety issues that cross transportation modes.

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

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The funding request is needed to facilitate cooperation and leverage research investment across the Department and to address the impacts of alternative energy on the transportation systems and to advance their safe and efficient deployment. Funding for this program has been consistent at about the \$500 thousand level since inception of the program.

## **Detailed Justification for the Positioning, Navigation, and Timing Program**

### **What Do I Need To Know Before Reading This Justification?**

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The Positioning, Navigation, and Timing (PNT) Program is the sole means by which the Federal Government defines and implements civil sector PNT requirements. Through the PNT program, the Department of Transportation represents the civil Departments and Agencies in the development, acquisition, management, and operations of the Global Positioning System (GPS). The Secretary of Transportation is assigned this role by the National Security Presidential Directive (NSPD-39), and the program includes all Federal, state and local government needs for services of GPS and its augmentations, as well as those of the private sector. NSPD-39 also requires the Department of Transportation, in coordination with the Secretary of Homeland Security to develop, acquire, operate, and maintain backup position, navigation, and timing capabilities that can support critical transportation, homeland security, and other critical civil and commercial infrastructure applications within the United States, in the event of a disruption of the GPS or other space-based positioning, navigation, and timing services.

The PNT Program ensures that GPS interference issues and PNT capability gaps are addressed. It also identifies the research needed to meet requirements to enable future systems such as Next Gen, Positive Train Control, and Intelligent Transportation Systems (ITS).

There is increasing demand for wireless broadband service in the radiofrequency band adjacent to GPS. Government and industry testing and analysis of one such proposal to do so demonstrated that almost all GPS receivers would suffer harmful interference if this wireless broadband system became operational.

Similarly, there is a proposal for unlicensed users to operate in the 5.9 GHz spectrum which is currently licensed for Dedicated Short Range Communications (DSRC) for connected vehicle technology. The Department needs \$1.610M to fulfill its civil PNT leadership role and develop spectrum protection criteria for GPS and DSRC.

**What is the Request and What Will We Get for the Funds?****FY 2015 - Positioning, Navigation, and Timing (PNT) Program**

(\$000)

	<b>FY 2013 ACTUAL</b>	<b>FY 2014 ENACTED</b>	<b>FY 2015 REQUEST</b>	<b>Difference from FY 2014 Enacted</b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	378	1,610	1,610	0
<b>TOTAL</b>	<b>378</b>	<b>1,610</b>	<b>1,610</b>	<b>0</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification. □

<sup>2</sup>Reflects contract funding only.

The FY 2015 funding request of \$1.610 million will be used to represent DOT as the lead civil agency for PNT. Technical analysis is needed for the Department to ensure protection of GPS from systems that may cause interference and to research alternative sources of PNT to integrate with GPS to increase reliability. DOT is implementing a GPS Spectrum Protection Plan to ensure the radiofrequency bands adjacent to GPS contain compatible signals and services that will not interfere with GPS.

Absent implementation of this plan, GPS will continue to be subject to potential interference from systems with high power transmitters that render GPS unusable for many applications. As demand to provide spectrum for wireless broadband services increases, pressure to use this radiofrequency band will also increase. The requested funding also will address growing interference to GPS from other sources. For example, the proliferation of “cigarette-lighter” GPS jammers also may render GPS unreliable for safety-of-life applications. DOT will participate on the GPS Critical Infrastructure Resiliency Task Force and other efforts related to Presidential Policy Directive (PPD)-21 to increase awareness of vulnerabilities of GPS and to research alternative sources of PNT-integrated GPS that make intentional jamming less desirable.

The PNT program produces the *Federal Radionavigation Plan (FRP)*, the *DOT Strategic Spectrum Plan*, and the *Civil PNT Requirements Document*, implements the GPS Spectrum Protection Plan, chairs the Civil GPS Service Interface Committee, and advances the National PNT Architecture in conjunction with the Department of Defense (DoD) and other government agencies to address identified PNT capability gaps and provide more efficient and effective capabilities to users.

**Proposed FY 2015 Program Activities:**

PNT and Spectrum Policy Coordination (\$250 thousand)

- Provide support to the Deputy Secretary of Transportation, Under Secretary of Transportation for Policy, and the Office of the Assistant Secretary for Research and Technology Administrator for the preparation of materials and briefings for their leadership roles on the Space-Based PNT Executive Committee and Executive Steering Groups.
- Develop the *Federal Radionavigation Plan* as directed by the National Defense Authorization Act for Fiscal Year 1998 (10 U.S.C. 2281(c)). The FRP is developed biennially by DOT in conjunction with DoD and DHS and is signed by the Secretaries of DOT, DoD, and DHS. The FRP reflects National policies and plans for U.S. government Radionavigation systems and is used as a reference document both nationally and internationally.
- Develop and update to the *DOT Strategic Spectrum Plan* which describes how applications for each mode of transportation depend on spectrum and which radiofrequency bands are utilized for their operation.
- Coordinate with the Intelligent Transportation System (ITS) Joint Program Office on technical analysis to determine whether DSRC can co-exist with operation of wireless services.

GPS Spectrum Protection (\$1 million)

- Conduct analysis and testing of GPS receivers as outlined in the GPS Adjacent Band Compatibility Assessment Plan to ensure continued operation of existing applications of GPS services, as well as future GPS receivers utilizing modernized GPS and interoperable Global Navigation Satellite System (GNSS) signals. This work involves the following activities:
  - Work with GPS stakeholders to identify various representative applications and develop interaction scenarios between the GPS receiver and potential interference sources.
  - Conduct testing and analysis of a variety of GPS receivers to determine the maximum interference level they can tolerate. Once current GPS receivers that are on the market are evaluated, future designs of GPS/GNSS receivers will be evaluated to determine if they are more tolerant to interference.
  - Develop spectrum interference standards to inform future proposals for non-space, commercial uses in the radiofrequency bands adjacent to the GPS signals of the maximum power levels that can be broadcast without interfering with GPS.

National PNT Architecture (\$350 thousand)

- Given increased reliance on GPS, particularly for critical infrastructure applications, civil departments and agencies need to be aware of vulnerabilities to GPS. There are increasing occurrences of unintentional and intentional interference to GPS, including the potential for spoofing of the signal. DOT serves as the civil lead for the National PNT Architecture which assesses research and development efforts to address capability gaps based on limitations of GPS. This effort is important, given the focus on critical infrastructure security and resiliency identified in Presidential Policy Directive (PPD) – 21.
- Provide a *Civil PNT Requirements Document* which serves as the foundation for the National PNT Architecture effort and allows program assessments to be performed to determine if the capabilities of the National PNT Architecture meet the needs of the civil community. Per U.S. Space-Based PNT policy, the Department of Transportation has the lead responsibility for the development of requirements for civil applications from all United States Government civil Departments and Agencies
- Through participation in the National PNT Architecture effort, DOT can leverage work conducted by DoD in the development of new PNT capabilities and explore technology transfer to civil applications. The National PNT Architecture provides a time-phased, fiscally informed roadmap through 2025 of PNT activities, including needs for research and development to address capability gaps based on limitations of GPS.

Civil GPS Service Interface Committee (CGSIC) (\$10 thousand)

The CGSIC is the recognized worldwide forum for effective interaction between all civil GPS users and the U.S. GPS authorities. Per U.S. Space-Based PNT policy, the Department of Transportation is responsible for promoting the use of U.S. civil space-based positioning, navigation, and timing services and capabilities. The Office of the Assistant Secretary for Research and Technology Director for PNT and Spectrum Management serves as the chair of the CGSIC, and the U.S. Coast Guard serves as Deputy Chair. The Office of the Assistant Secretary for Research Director for PNT and Spectrum Management position is filled on a Reimbursable Agreement with the Volpe National Transportation Systems Center which is a fee-for-service organization. Funding provides for a portion of the Director's time to serve as the CGSIC chair and travel to attend the annual CGSIC meeting.

The PNT program will:

- Conduct analysis and testing of GPS receivers to ensure protection from interference from the adjacent radiofrequency band.
- Participate in interagency assessments to address PNT capability gaps and assist with implementation of the 2025 National PNT Architecture.
- Hold meetings of the Federal Radionavigation Plan Working Group to develop 2016 FRP content.
- Coordinate development of an update of the DOT Strategic Spectrum Plan.
- Participate on the GPS Critical Infrastructure Resiliency Task Force to increase awareness of vulnerabilities of GPS and alternative PNT technology options

- Coordinate updates to Civil PNT Requirements Document with the DOT Extended Pos/Nav Working Group.
- Hold meetings of the Civil GPS Service Interface Committee to provide public outreach.

**Key Outputs Expected:** Establish spectrum interference standards to inform future proposals for systems operating in the radiofrequency band adjacent to GPS, provide a refined National PNT Architecture Implementation Roadmap based on coordinated analysis, develop a draft of the 2016 Federal Radionavigation Plan, publish updated DOT Strategic Spectrum Plan, publish updated Civil PNT requirements document, and provide presentations and summary record of the Civil GPS Service Interface Committee meetings on the website.

**Key Outcomes Expected:** Transportation industry and technology providers will be able to make business decisions on products to offer (or not offer) based on U.S. Government plans for PNT capabilities and services, have confidence that spectrum for safety-of-life transportation applications will be protected, provide public with knowledge of the status of GPS modernization and the ability for it to satisfy civil PNT requirements, inform U.S. government and industry decision making and ability to support long range planning on alternative PNT sources that can be integrated with GPS.

### **What Is This Program?**

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The PNT Program coordinates PNT technology and policy and provides civil PNT systems and spectrum analysis which is critical to cross modal transportation applications in support of the DOT Strategic Goals. The PNT Program ensures that GPS interference issues are addressed, as well as identifying and pursuing PNT gaps and research. The program coordinates all civil sector PNT requirements and provides outreach to communities associated with PNT plans and policy.

### **Anticipated FY 2015 Accomplishments:**

- Provided initial results of analysis and testing of GPS receivers to determine the level of interference from the adjacent radiofrequency band.
- Provide assessment of whether DSRC can co-exist with operation of wireless services.
- Published the 2014 *Federal Radionavigation Plan* in conjunction with DoD and DHS.
- Published an updated Civil PNT Requirements Document.
- Provided analysis of ongoing civil PNT efforts to determine how they relate to closing the capability gaps identified by the National PNT Architecture and progression toward the “Should-Be” architecture.

**Strategic Goals:** Safety and Environmental Sustainability.

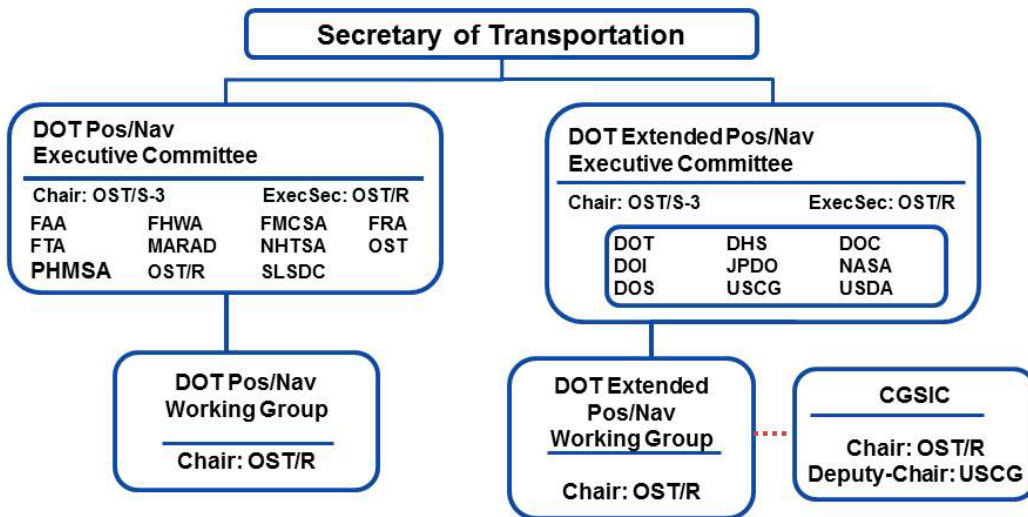
**Role of Partners:** The Office of the Assistant Secretary for Research and Technology serves as the civil lead of the National PNT Architecture effort, partnering with DoD and DHS in a cross-modal interagency effort, to guide future PNT system-of-systems investment and implementation decisions. This effort is conducted through the DOT Pos/Nav Working Group and Executive Committee to coordinate with all modes within DOT. The DOT Extended Pos/Nav Working Group



and Executive Committee is DOT’s PNT coordination process with other civilian Federal agencies. The structure for this coordination process is shown below.

**Purpose/Beneficiaries:** The purpose of this effort is to provide more effective and efficient PNT capabilities, ensure protection of GPS and other safety-of-life systems from harmful interference, and establish an evolutionary path for government-provided PNT systems and services. The beneficiaries of this effort are civil agencies that develop, acquire, manage, and operate GPS and other PNT services and external users of government-provided PNT services.

### Civil PNT Coordination Structure



#### Why Is This Particular Program Necessary?

The National Security Presidential Directive on Space-Based Positioning, Navigation, and Timing Policy gives the Secretary of Transportation broad responsibilities in providing for and implementing PNT services for the civil community. These responsibilities include ensuring, in coordination with the Secretary of Defense, that space-based positioning, navigation, and timing public safety services meet or exceed international performance standards. This policy also ensures that the U.S. maintains space-based positioning, navigation, and timing services, augmentation, back-up, and complementary capabilities and protects GPS spectrum from interference. Positioning, Navigation, and Timing capabilities, as well as use of spectrum which is not impacted by interference, are critical for the Next Generation Air Transportation System, Intelligent Transportation Systems, and Positive Train Control. Since 2004, the Department of Transportation has served as the lead Federal agency for all Federal civilian uses of GPS.

**Program Efficiency and Effectiveness:** Interagency efforts to collaborate on implementation of PNT and to address PNT capability gaps such as interference to GPS are far more effective and efficient than each agency trying to solve these problems individually. These efforts have been conducted through the National PNT Architecture, and the ability to leverage the extensive expertise and resources of DoD has been very effective.

**Viable Alternatives:** The PNT program work is conducted by staff of the Volpe National Transportation Systems Center and one FTE from the Office of the Assistant Secretary for Research and Technology HQs. Funding could be provided by DOT modal agencies to support this work.

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

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GPS applications are vital to transportation safety and efficiency. The Federal Aviation Administration (FAA) estimates that by 2013, 60,000 aircraft will be equipped with GPS to navigate the skies within the United States; there will be many more internationally. Positive Train Control, which is an improved safety application for rail transportation, will increasingly rely on GPS. Tens of millions of drivers across America use GPS to navigate, and the Intelligent Transportation System program will depend on GPS as a key technology for vehicle collision-warning and crash-avoidance systems. Use of GPS also has grown for many applications such as surveying, precision agriculture, and weather forecasting.

The ability to provide long range PNT planning and to ensure reliable operation of systems such as GPS has been integral to the widespread adoption of PNT technology upon which the U.S. economy, National security, and transportation infrastructure rely.

### **Why Do We Want/Need to Fund the Program at the Requested Level?**

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The National Security Presidential Directive on Space-Based Positioning, Navigation, and Timing Policy gives the Secretary of Transportation broad responsibilities in providing for and implementing PNT services for the civil community. The Department of Transportation represents the civil Departments and Agencies in the development, acquisition, management, and operations of the GPS.

PNT capabilities are critical for the Next Generation Air Transportation System, Intelligent Transportation Systems, and Positive Train Control. Sufficient funding for this program will provide the resources necessary to ensure that adjacent radiofrequency bands to GPS contain compatible signals and services that will not interfere with GPS. This assessment is in response to work conducted in 2011 to evaluate a proposal by LightSquared LLC to deploy a wireless broadband service in the radiofrequency band adjacent to GPS which demonstrated widespread interference to GPS. DOT also will evaluate the potential for wireless broadband interference to Dedicated Short Range Communications, which is critical for the Intelligent Transportation System program. Given the increased demand for spectrum for wireless broadband applications, DOT needs to ensure that spectrum used for safety-of-life applications is not impacted by interference.

Since DOT is the lead department for civil GPS issues, other civil departments and agencies, as well as the public, reach out to DOT if there are any issues or threats to ensuring space-based positioning, navigation, and timing services and protecting the GPS spectrum from interference. Given increased reliance on GPS, particularly for critical infrastructure applications, civil departments and agencies need to be aware of vulnerabilities to GPS such as jamming and spoofing and options to increase resiliency. The PNT Program coordinates PNT technology and policy and provides civil PNT systems analysis which is critical to intermodal transportation applications in

support of the DOT Strategic Goals. The program also coordinates all civil sector PNT requirements and provides outreach to communities associated with PNT plans and policy.

Per U.S. Space-Based PNT policy, the Secretary of Transportation is responsible for facilitating foreign development of civil positioning, navigation, and timing services and systems based on GPS and providing international participation in the development of civil applications for U.S. space-based positioning, navigation, and timing services in conjunction with the Secretary of Commerce and Secretary of State.

## **Detailed Justification for the Nationwide Differential Global Positioning System (NDGPS) Program**

### **What Do I Need To Know Before Reading This Justification?**

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The Nationwide Differential Global Positioning System (NDGPS) Program provides National, real-time accurate dynamic positioning and navigation information at one-to-three meters (and often sub-meter) for surface transportation users. NDGPS is comprised of three segments operated and maintained in a coordinated fashion by the U.S. Coast Guard. The three segments are:

- Maritime (U.S. Coast Guard-funded);
- Inland (U.S. DOT-funded);
- Inland waterway (U.S. Army Corps of Engineers-funded).

NDGPS is a National positioning asset funded through DOT to support surface transportation users. However, it is recognized that multiple Federal agencies/sub-agencies, state and local governments, and private sector users in many economic sectors have leveraged DOT's investment in NDGPS to meet their requirements.

- Recognizing the benefits to other Federal agencies and the public, the NDGPS network has been integrated into NOAA's Continuously Operating Reference Station (CORS) network and used by many organizations across many economic sectors throughout the country.
- NDGPS receives substantial use by highway, transit, and rail sectors in operations, maintenance, planning, construction, quality assurance, and asset management. Multiple Federal agencies, state and local governments, and private sector users in many economic sectors meet mission requirements in automated construction, precision agriculture, surveying and mapping, GIS, environmental and natural resource management, and severe weather forecasting using the NDGPS service.
- Section 346 of Public Law 105-66 authorized the NDGPS program within the Office of the Secretary of Transportation. The Secretary delegated this authority to the Commandant of the U.S. Coast Guard, the Federal Railroad Administrator, and the Federal Highway Administrator. The program was redelegated to the Office of the Assistant Secretary of Research and Technology (OST-R) upon its creation. The elevation of the Research and Innovative Technology Administration into the Office of the Secretary by the Consolidated Appropriations Act of 2014 has brought this program back into the organization in which it was originally authorized.
- Although NDGPS is funded through the OST-R, NDGPS is an operational nationwide positioning and navigation utility, not a research and technology program.
- The Department of Transportation and the Department of Homeland Security/U.S. Coast Guard are analyzing:
  - Current and future user needs and requirements for NDGPS.
  - The need to retain NDGPS.

- Operational impacts if NDGPS signals are not available.
- Alternatives to NDGPS and alternative uses for the NDGPS infrastructure.

This analysis will be used to support future NDGPS investment decisions by the Department of Homeland Security/U.S. Coast Guard and the Department of Transportation beyond fiscal year 2016.

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

#### **FY 2015 - Nationwide Differential Global Positioning System (NDGPS)**

**(\$000)**

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>Difference</b>
	<b>ACTUAL</b>	<b>ENACTED</b>	<b>REQUEST</b>	<b>from FY 2014</b>
				<b>Enacted</b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Other Costs <sup>2</sup>	7,203	5,600	5,600	0
<b>TOTAL</b>	<b>7,203</b>	<b>5,600</b>	<b>5,600</b>	<b>0</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification. □

<sup>2</sup>Reflects contract funding only.

The requested funding level of \$5.6 million is needed to support operations and maintenance (O&M) to maintain system reliability and availability commitments to the Federal, state, and local transportation user communities. The budget request would fund 100 percent of routine O&M needs.

The request will enable:

- NDGPS to maintain system availability at the 29 inland segment sites at 98.5% or better.
- Reduced risk of failure by maintaining inland segment stations to Coast Guard standards.

Key Actions Anticipated	Key Outputs Expected	Key Outcomes Expected
<ul style="list-style-type: none"> <li>• Exercise robust O&amp;M protocols</li> <li>• Reduce maintenance backlog</li> <li>• Operational and outreach planning</li> </ul>	<ul style="list-style-type: none"> <li>• Maintain system availability at <math>\geq 98.5\%</math></li> <li>• Reduce programmatic risk (technical, cost, performance)</li> <li>• Scope future operational parameters</li> </ul>	<ul style="list-style-type: none"> <li>• Technology providers and users can make decisions based on system reliability/reduced risks</li> <li>• Out year O&amp;M cost growth reduced</li> </ul>

### What Is This Program?

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The FY 2015 base program is \$5.6 million and will provide for operational planning and routine O&M needs.

**Strategic Goals:** NDGPS supports the Safety and Environmental Sustainability strategic goals.

**Purpose/Beneficiaries:** NDGPS provides a National service that delivers real-time, accurate dynamic positioning and navigation information at one-to-three meters (and often sub-meter) for civil transportation applications. NDGPS accomplishes this goal through local broadcast of accurate GPS position corrections (<http://www.navcen.uscg.gov/?pageName=ndgpsMain>). The Coast Guard operates NDGPS as a nationwide utility coordinated with the Maritime DGPS and inland waterways segments (<http://www.navcen.uscg.gov/?pageName=dgpsMain>). DOT provides NDGPS for surface transportation applications, and there is significant public and private sector reliance on NDGPS for automated construction, precision agriculture, environmental management, natural resource management, surveying and mapping, severe weather forecasting, and other applications.

**Partners:** U.S. Coast Guard, U.S. Army Corps of Engineers, National Oceanic and Atmospheric Administration (NOAA), and other Federal, state, and local agencies as users of the data for both positioning and non-positioning applications.

**Description:** NDGPS provides support infrastructure for surface transportation automated construction, operations, and maintenance; and opportunities for future cross-modal surface transportation safety, security, efficiency, and emergency response services.

### Why Is This Particular Program Necessary?

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NDGPS augments GPS by providing increased accuracy and integrity for transportation applications (<http://www.navcen.uscg.gov/?pageName=ndgpsSites&All>). The NDGPS service provides reliable GPS observables and corrections to meet the increasing positioning and navigation accuracy requirements of surface transportation users.

In addition to providing a real-time broadcast of corrections, NDGPS provides a robust operational backbone to the NOAA/National Weather Service's (NWS) Earth Systems Research Laboratory (<http://www.esrl.noaa.gov/research/themes/climateweather/>) for short-term severe weather and

precipitation forecasts (enabling better severe weather warnings), to the NOAA/ National Geodetic Survey's Continuously Operating Reference Stations (CORS) application (<http://www.ngs.noaa.gov/CORS/>) for highly-accurate post-processing survey applications and Web-enabled location solutions accessed thousands of times weekly, to the NOAA/NWS/Space Weather Prediction Center (<http://www.swpc.noaa.gov/index.html>) for space weather warnings (affecting electrical power and communications systems), and for plate tectonic monitoring (addressing earthquake and volcano monitoring).

NDGPS availability and accuracy is leveraged by multiple other Federal agencies to meet their requirements in surveying and mapping, precision agriculture, environmental and natural resources management, historical resources management, and emergency response

Without this funding, hundreds of thousands of routine users across multiple economic sectors will be unable to receive the accurate positioning information on which they depend daily for routine operations, and the growing location-based services market will be negatively impacted, as documented in "NDGPS Assessment: Final Report" ([http://www.navcen.uscg.gov/pdf/ndgps/ndgps%20assessment%20report\\_final.pdf](http://www.navcen.uscg.gov/pdf/ndgps/ndgps%20assessment%20report_final.pdf)).

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

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**Effective:** The availability of NDGPS has been maintained at a level greater than 98.5%. DOT's "NDGPS Assessment: Final Report" documents hundreds of thousands of routine NDGPS users across multiple sectors, and a minimum system return on investment (ROI) for the Federal-Aid Highway Program alone of 40:1. ROI for other Federal agencies, state and local governments, and the private sector could not be calculated, but it includes a significantly larger user base.

**Research:** Ongoing feedback received from the user community through the Civil GPS Service Interface Committee (CGSIC; <http://www.navcen.uscg.gov/cgsic/>), the worldwide forum for effective interaction between all civil GPS users, provides annual feedback on the NDGPS service.

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

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The requested level of funding is needed to support O&M to maintain system reliability and availability commitments to the Federal, state and local transportation user communities and to reduce program technical and cost risk.

**OFFICE OF THE SECRETARY OF TRANSPORTATION****RESEARCH AND TECHNOLOGY**

## Explanation of Funding Changes

(\$000)

<b>ITEM</b>	<b>AMOUNT</b>	<b>FTEs</b>
<b>FY 2013 Actual</b>	<b>\$15,145</b>	<b>26</b>
<b>FY 2014 Enacted</b>	<b>\$14,765</b>	<b>26</b>
<u>Adjustments to base:</u>		
Annualization of January 2014 Pay Raise	\$11	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$32	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$3	
<b>FY 2015 Baseline Estimate</b>	<b>\$14,810</b>	<b>26</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$185	
<b>Total, FY 2015 Rquest</b>	<b>\$14,625</b>	<b>26</b>



Section 3 – FY 2015 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION				
OFFICE OF THE SECRETARY OF TRANSPORTATION				
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY				
PROGRAM AND FINANCING				
(In thousands of dollars)				
	Identification code 69-1730	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
	<b>Obligations by program activity:</b>			
0001	Salaries and administrative expenses	6,535.00	6,547.00	6,407.00
0002	Alternative fuels research & development	685.00	820.90	499.00
0003	Research development & technology coordination	334.72	1,431.93	509.00
0004	Nationwide differential global positioning system	7,647.00	5,655.48	5,600.00
0005	Positioning navigation & timing	378.10	1,610.03	1,610.00
0100	Direct Program by Activities - Subtotal	15,579.81	16,065.33	14,625.00
0799	<b>Total direct obligations</b>	<u>15,579.81</u>	<u>16,065.33</u>	<u>14,625.00</u>
0801	University transportation centers	13,882.64	-	-
0802	Transportation safety institute	6,518.17	25,680.16	20,000.00
0803	Other programs	453.16	11,062.06	10,000.00
0809	Reimbursable program activities, subtotal	20,853.97	36,742.22	30,000.00
0899	<b>Total reimbursable obligations</b>	<u>20,853.97</u>	<u>36,742.22</u>	<u>30,000.00</u>
0900	<b>Total new obligations</b>	36,433.79	52,807.55	44,625.00
	<b>Budgetary resources:</b>			
	<b>Unobligated balance:</b>			
1000	Unobligated balance brought forward, Oct 1	19,749.55	8,042.55	8,042.55
1020	Adjustment of uobligated balance, bf Oct 1	(2,871.17)	-	-
1021	Recoveries of prior year unpaid obligations	4,468.43	-	-
1050	Unobligated balance (total)	<u>21,346.81</u>	<u>8,042.55</u>	<u>8,042.55</u>
	<b>Budget authority:</b>			
	<b>Appropriations, discretionary:</b>			
1100	Appropriation	15,981.00	14,765.00	14,625.00
1130	Appropriation permanently reduced	(835.90)	-	-
1160	Appropriation, discretionary (total)	15,145.10	14,765.00	14,625.00
	<b>Spending authority from offsetting collections, discretionary:</b>			
1700	Collected	12,958.35	36,742.22	30,000.00
1701	Change in uncollected payments, Federal sources	(4,195.37)	-	-
1750	Spending auth from offsetting collections, disc (total)	8,762.98	36,742.22	30,000.00
1900	Budget authority (total)	<u>23,908.08</u>	<u>51,507.22</u>	<u>44,625.00</u>
1910	Total budgetary resources available	45,254.89	59,549.77	52,667.55
	<b>Memorandum (non-add) entries:</b>			
1940	Unobligated balance expiring	778.55	-	-
1941	Unexpired unobligated balance, end of year	8,042.55	6,742.22	8,042.55
	<b>Change in obligated balance:</b>			
	<b>Obligated balance , start of year (net):</b>			
3000	Unpaid obligations, brought forward, Oct 1	45,345.95	36,940.71	1,717.55
3010	Obligations incurred, unexpired accounts	36,433.79	52,807.55	44,625.00
3011	Obligations incurred, expired accounts	1,125.25	-	-
3020	Outlays (gross)	(33,007.18)	(88,030.72)	(46,358.60)
3040	Recoveries of prior year unpaid obligations, unexpired	(4,468.43)	-	-
3041	Recoveries of prior year unpaid obligations, expired	(8,488.66)	-	-
	<b>Obligated balance, end of year (net):</b>			
3050	Unpaid obligations, end of year (gross)	<u>36,940.71</u>	<u>1,717.55</u>	<u>(16.05)</u>
	<b>Uncollected payments:</b>			
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	(31,615.14)	(16,618.51)	(16,618.51)
3061	Adjustments to uncollected pymts, Fed sources, brought forward, Oct 1	3,371.17	-	-
3070	Change in uncollected pymts, Fed Sources, unexpired	4,195.37	-	-
3071	Change in uncollected pymts, Fed Sources, expired	7,430.10	-	-
3090	Uncollected pymts, Fed sources, end of year	<u>(16,618.51)</u>	<u>(16,618.51)</u>	<u>(16,618.51)</u>
	<b>Memorandum (non-add) entries:</b>			
3100	Obligated balance, start of year (net)	17,101.98	20,322.21	(14,900.96)
3200	Obligated balance, end of year (net)	20,322.21	(14,900.96)	(16,634.56)
	<b>Budget authority and outlays, net:</b>			
	<b>Discretionary:</b>			
4000	Budget authority, gross	16,713.40	51,507.22	44,625.00
	<b>Outlays, gross:</b>			
4010	Outlays from new discretionary authority	15,747.47	50,030.72	43,162.50
4011	Outlays from discretionary balances	17,259.71	38,000.00	3,196.10
4020	Outlays, gross (total)	33,007.18	88,030.72	46,358.60
	<b>Offsets against gross budget authority and outlays:</b>			
	<b>Offsetting collections (collected) from:</b>			
4030	Federal sources	(13,193.77)	(36,742.22)	(30,000.00)
	<b>Additional offsets against gross budget authority only:</b>			
4050	Change in uncollected pymts, Fed sources, unexpired	4,195.37	-	-
4051	Change in uncollected pymts, Fed sources, expired	7,430.10	-	-
4052	Offsetting collections credited to expired accounts	-	-	-
4060	Additional offsets against budget authority only (total)	11,625.47	-	-
4070	Budget authority, net (discretionary)	15,145.10	14,765.00	14,625.00
4060	Additional offsets against budget authority only (total)	(235.42)	-	-
4070	Budget authority, net (discretionary)	15,145.10	14,765.00	14,625.00
4080	Outlays, net (discretionary)	19,813.42	51,288.50	16,358.60
4180	Budget authority, net (total)	15,145.10	14,765.00	14,625.00
4190	Outlays, net (total)	19,813.42	51,288.50	16,358.60

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**RESEARCH AND TECHNOLOGY**  
**OBJECT CLASSIFICATION**  
(In thousands of dollars)

	<u>FY 2013</u> <u>ACTUAL</u>	<u>FY 2014</u> <u>ENACTED</u>	<u>FY 2015</u> <u>REQUEST</u>
<b><u>Direct Obligations:</u></b>			
<b>Personnel compensation:</b>			
1111 Personnel compensation, full-time permanent	2,904	3,005	3,005
1113 Other than full-time permanent	24	227	227
1115 Other personnel compensation	<u>40</u>	<u>55</u>	<u>55</u>
Total personnel compensation	2,968	3,287	3,287
1121 Civilian personnel benefits	880	932	932
1210 Travel and transportation of persons	58	90	90
1220 Transportation of things	0	0	0
1231 Rent to GSA	948	640	640
1240 Printing and reproduction	0	1	1
1250 Other services	10,565	9,700	9,560
1257	101	0	0
1260 Office supplies	13	15	15
1310 Equipment	0	100	100
1420 Claims	<u>45</u>	<u>0</u>	<u>0</u>
1990 Subtotal, direct obligations	15,580	14,765	14,625
2990 Reimbursable obligations	<u>20,854</u>	<u>30,000</u>	<u>30,000</u>
9999 Total obligations	36,434	44,765	44,625

**Employment Summary:**

<b>Direct:</b>			
1001 Civilian Full-time Equivalent Employment	26	26	26
<b>Reimbursable:</b>			
2001 Civilian Full-time Equivalent Employment	40	50	50
<b>Allocation account:</b>			
3001 Civilian Full-time Equivalent Employment	67	70	70

## Detailed Justification for the Competitive University Transportation Centers Program

### What Do I Need To Know Before Reading This Justification?

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The University Transportation Centers (UTC) Program’s mission is to advance transportation expertise and technology in the many disciplines that comprise transportation through education, research, and technology transfer at university-based consortia.

The UTC Program provides a critical transportation knowledge-based outside of the U.S. DOT and addresses critical workforce needs for the next generation of transportation professionals. UTCs are selected based on a rigorous competition which includes education and research activities to address all five U.S. DOT goals – Safety, State of Good Repair, Economic Competitiveness, Quality of Life in Communities, and Environmental Sustainability.

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

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#### FY 2015 – Competitive University Transportation Centers

(\$000)

<u>FUNDING LEVELS</u>	<u>FY 2013 Enacted</u>	<u>FY 2014 MAP-21</u>	<u>FY 2015 Request</u>	<u>CHANGE FY 2014 - 2015</u>
Personnel Compensation and Benefits <sup>1</sup>	0	0	0	0
Travel <sup>1</sup>	0	0	0	0
Competitive UTC Consortia <sup>2</sup>	[69,388]	[68,803]	[82,000]	[13,197]
<b>TOTAL</b>	<b>[69,388]</b>	<b>[68,803]</b>	<b>[82,000]</b>	<b>[13,197]</b>
 <u>STAFFING</u>				
Allocation Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Allocation FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification. □

<sup>2</sup>Reflects contract funding only.

The Competitive University Transportation Centers (UTC) Program requests \$82 million in FY 2015 to accomplish its mission. This program is a major investment in the nation’s transportation intellectual and human capital in order to ensure the durability, improvement, and renewal of our transportation systems.

#### Key Actions and Anticipated Milestones:

- Award grants to competitively-selected University Transportation Centers.
- Report and disseminate results of FY 2014 UTC grants.
- Facilitate collaboration and interaction among universities, U.S. DOT, State departments of transportation, transit agencies, and other interested partners.

**Key Outputs Expected:**

- Publication of technical reports on research topical areas.
- Publication of technical presentations at National and regional technical conferences.
- Conduct technical seminars and workshops.
- New/improved guidelines on planning, operations, design or maintenance issues.
- Highly qualified, university graduates specializing in the transportation sector.
- New technologies for application to transportation systems.

**Key Outcomes Expected:**

- Reduction in transportation congestion.
- More-efficient transportation systems.
- Safer transportation systems.
- Enhanced transportation systems.
- More productive transportation systems.
- Better trained workforce.

**What Is This Program?**

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**Strategic Goals:** Safety, State of Good Repair, Economic Competiveness, Quality of Life in Communities, and Environmental Sustainability

**Purpose/Beneficiaries:** The UTC Program provides funding for the purpose of advancing technology and expertise in the many disciplines within the transportation industry through the mechanisms of education, research, and technology transfer at university-based centers of excellence.

**Partners:** The UTC Program will partner with the following partners to ensure fulfillment of the program goals and objectives:

- Federal Aviation Administration
- Federal Highway Administration
- Federal Motor Carrier Safety Administration
- Federal Railroad Administration
- Federal Transit Administration
- Maritime Administration
- National Highway Traffic Safety Administration
- Office of the Secretary of Transportation
- Pipeline and Hazardous Materials Safety Administration
- St. Lawrence Seaway Development Corporation

- External stakeholders, including other Federal agencies, academic institutions, State DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including owners and operators of transportation infrastructure.

**Program Description:**

The University Transportation Centers (UTC) program is defined in statute. The Moving Ahead for Progress in the 21<sup>st</sup> Century Act (MAP-21) outlines the requirements of the program and states that the UTC program shall “provide for a critical transportation knowledge base” by addressing major National issues and “address critical work force needs” to develop the next generation of transportation professionals. The major national issues are contained within the five U.S. DOT goals: Safety, State of Good Repair, Economic Competitiveness, Environmental Sustainability, and Quality of Life in Communities.

MAP-21 also prescribes that the program be fully competitive. The UTC program consists of a request of \$82 million to fund these competitively selected multimodal and multidisciplinary UTC consortia; thereby supporting university research and education. The Department is investing in our nation’s transportation sector by expanding its intellectual capacity and available workforce.

Through the University Transportation Centers (UTC) Program the Department taps into the intellectual and academic resources of our nation’s universities in order to advance U.S. transportation expertise and technology.

In response to MAP-21, a competition was held in FY 2013 to select a new batch of UTCs. These Centers receive FY 13 and FY 14 funds, based on availability. These Centers will also receive FY15 funds, depending on availability through continuing resolutions or as directed through new surface transportation authorization legislation.

Although every UTC will have the same broad objectives, the Department will encourage diversity in the program participants and in the approaches individual Centers take to achieve the program objectives. The Department will encourage unique approaches to research, education, workforce development, and technology transfer, building on or reflecting institutional expertise, facilities, and partnerships. In order to achieve the Department’s vision of a truly multimodal integrated system, the Department will encourage UTCs to cut across disciplines and span all modes of transportation, enabling improvements to the Nation’s entire surface transportation system, inclusive of rail, maritime, highway, pipelines, and transit.

Performance metrics will ensure that transportation research and workforce needs are met, programmatic targets are realized, and that funds are effectively invested. Reporting requirements will include explicit details of research results.

The UTC consortia will advance transportation education and workforce development through degree-granting programs, seminars and training for practicing professionals, and outreach activities to attract new entrants to careers in transportation.

UTCs will be required to use the Transportation Research Board’s Research in Progress

(RIP) and Transportation Research International Documentation (TRID) databases and the U.S. DOT Research Hub to avoid duplication of efforts and to ensure wide awareness of efforts and dissemination of research results.

The Office of the Assistant Secretary for Research and Technology receives UTC Program funding through an allocation from the Federal Highway Administration (\$82 M). The Secretary shall expend not more than 1.5 percent of amounts made available to coordinate, oversee, and manage this program.

**Prior Year Accomplishments:**

In 2013, per MAP-21 instructions, a new set of UTCs were competitively selected. These Centers are funded through FY 14. This effort was achieved in an optimal manner that ensured the timely obligation of funds to the various UTC entities.

**Why Is This Particular Program Necessary?**

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This program provides unique benefits to the Department, state departments of transportation, transit agencies, and other transportation providers: A ready-source of independent transportation researchers at leading universities and a steady stream of highly educated professionals in key transportation disciplines such as civil, environmental, mechanical and electrical engineering, urban planning, construction management, computer science, business, psychology, logistics, and others. Through the competitively-selected UTCs, we support and strengthen our nation’s transportation intellectual and academic capital which is of vital importance to innovation and our transportation systems. Current research within the UTC program ranges from applied to advanced; and is becoming increasingly multimodal. In order to develop the multimodal transportation system of future generations, advanced research must be carried out in the present. Universities are one of the greatest research assets this country holds, and this type of multimodal advanced research belongs at universities—particularly universities well experienced in and capable of performing advanced transportation research. The universities in the UTC program are such universities.

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

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**Effectiveness:**

Research outcomes are consistently implemented by UTC research partners, the most common of which are state Departments of Transportation. State DOTs tend to be the major supplier of matching funds to UTCs and are, therefore, the primary implementer of UTC research outcomes. A critical component of the UTC program is ensuring that research outcomes are implemented and monitored for effectiveness. Annual reporting requirements for each UTC require that each federally funded UTC research project document the outcomes, implementation, and effectiveness of that project; or if the outcomes are not implemented why that is the case.

The UTC Program has a long track-record of success in educating highly skilled and innovative transportation professionals, researchers, and academics. Since its inception in 1987 thousands of professionals have graduated from these universities and have gone on to pursue highly skilled

careers in all modes of transportation as well as in academic research and education. The investment made in research has paid off in new technologies, materials, improved construction processes, structural monitoring, and addressing human factor issues like distracted driving and emergency evacuation.

Success in the program will initially be measured by the level of cooperation among the U.S. DOT modal administrations in defining advanced research areas of interest and by the selection of universities, through a competitive proposal process, to conduct research in these defined areas of interest.

Longer term success will be measured in the number of university graduates that participated in the UTC program and in the implementation of research funded through the program.

**Research:**

The Program targets all facets of the transportation industry spectrum from the context of basic and advanced research activities entailing planning, policy, operations, design, and maintenance issues. Outcomes from these efforts will result in the development of new guidelines, policies, practices, and procedures. The impacts of such outcomes will be operational efficiencies and cost benefits throughout the Nation's transportation system.

**Efficiency Measures:**

The competitive selection process for UTC grants ensures the selection of consortia that are best suited for the efficient and effective conduct of research and educational activities that will have the greatest impact on the transportation community.

The U.S. DOT will ensure that the solicitation, evaluation, and awarding of the funds are conducted in a fast-track and expeditious manner to guarantee that the obligation of funds is carried out in an efficient and optimal timeframe.

U.S. DOT grant managers, working with UTC directors, track the awarded funds through a number of project management mechanisms to ensure that execution of the research and educational activities are efficient, timely, and cost effective. Some examples of these measures include site visits, periodic program reporting functions, periodic financial analyses, and progress presentations.

Each Center submits an annual report to describe the Center's activities and use of funds. Additionally, reports are required for each Center research project that is executed utilizing Federal funding. These reports describe research specific research activities and outcomes.

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

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By funding the UTC Program at the proposed level, we are making an investment commensurate with the workforce needs and innovation challenges of the Nation's transportation industry.

To conduct the broad range of activities required of the UTCs by statute, at the number of Centers dictated by statute, the funding request is at a minimal level. To effectively carry out their

mandates, each Center must have a critical mass of funding. This prevents the splintering of funds into different activities at each Center that become ineffective due to insufficient funding.



## Detailed Justification for the Transportation Safety Institute

### What Do I Need To Know Before Reading This Justification?

The Transportation Safety Institute (TSI) has a 40 year history of providing transportation safety training to Federal, state, and local governments, private sector, and foreign transportation professionals on a fee-for-service basis.

TSI receives no direct appropriation and its costs are paid by its customers through interagency or reimbursable agreements, tuition, and fees. What about tuition and fees identified below.

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

#### FY 2015 – Transportation Safety Institute

(\$000)

	FY 2013 <u>ACTUAL</u>	FY 2014 <u>ENACTED</u>	FY 2015 <u>REQUEST</u>	<b>Difference from FY 2014 Enacted</b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	[5,000]	[5,000]	[5,000]	[0]
Travel	[2,000]	[2,000]	[2,000]	[0]
Other Costs	[13,000]	[13,000]	[13,000]	[0]
<b>TOTAL<sup>1/</sup></b>	<b>[20,000]</b>	<b>[20,000]</b>	<b>[20,000]</b>	<b>[0]</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	41	51	51	0
Direct FTE	0	0	0	0
Reimbursable FTE	36	36	36	0

<sup>1/</sup> Resources are shown as non-add because the Transportation Safety Institute is funded by reimbursable agreements, tuitions, and fees.

TSI's training operations program is organized into the following five training divisions with expertise in specific transportation safety and security topics:

**Aviation Safety:** Aviation safety experts provide premiere training through workshops, field activities, individual studies, and hands-on training with an emphasis on aviation safety, accident investigation techniques, and program management. Courses cover aviation's most current information in all aspects of civil and public aviation accident investigation, safety management systems (SMS), and ground-based navigation aids.

Transit Safety: The Transit Safety and Security staff specializes in development and delivery of safety and security training and education in system safety, collision investigation, and security for all public transit bus and rail transportation. Transit industry personnel attend TSI training to develop the high performance skills necessary to effectively operate, maintain, and manage public transportation systems. MAP-21 mandates a National Training Certification Program and several of the courses instructed by TSI are within the scope of the requirements to earn the certification for these personnel as well as for the State Safety Oversight Agency (SSO) individuals and contractors who conduct safety audits.

Multimodal Safety: Specializing in cargo tanks, explosives, and radioactive materials, TSI's Multimodal Safety Division provides a variety of transportation safety-related courses including hazardous materials and motor carrier compliance to Federal, state, and private industry audiences.

Special Programs: TSI's Special Programs team offers multiple services and products to meet changing customer demands to include customized solutions in courseware development, delivery, and program management. A need for Pipeline Safety Compliance training was identified. This resulted in two new courses being developed for pipeline safety professionals in private industry. Courses are designed to clarify DOT regulations for gas and liquid pipeline operators, and encourage good safety practices for energy companies throughout the United States.

Traffic Safety: TSI's Traffic Safety Division develops and delivers highway traffic safety training programs for State, local, and Federal professionals in occupant protection, law enforcement, impaired driving, and data analysis. Curricula also include three levels of training for the National Highway Traffic Safety Administration's (NHTSA) National Automotive Sampling System field personnel in support of crash investigations. Division staff also collaborates with the greater highway traffic safety community to develop relevant and timely training programs.

### **What Is This Program?**

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TSI provides transportation safety training to Federal, state and local government, the private sector, and foreign transportation professionals on a fee-for-service basis.

### **Anticipated FY 2015 Accomplishments**

- Expanded development of cutting-edge courses and e-learning opportunities for transportation professionals;
- Continued utilization of effective adult learning practices in order to ensure current and future training experiences meet industry training standards;
- Presented the Moral Courage Award to an individual or organization for safety management and accident prevention accomplishments;
- Assisted DOT partners in implementing MAP-21 transportation safety enhancements;
- Promoted safer global transportation systems by supporting domestic and International audiences;

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

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TSI supports DOT's safety goal to reduce transportation-related deaths and injuries through quality instruction to those entrusted with safety enforcement and committed to safety compliance. TSI trains more than 20,000 professionals annually.

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

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Since 1971, TSI has been training transportation professionals on a reimbursable basis. Many clients represent repeat business, and TSI training is in demand domestically and internationally. In addition, data show that transportation-related deaths and injuries are significantly lower than they were four decades ago. Education and training are key factors in improved transportation safety. Course evaluations remain extremely positive and customers consider the trainings critical.

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

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Through high-quality instruction, TSI provides valuable assistance to the Department and creates a safer transportation system for the traveling public. As new clients seek TSI expertise and existing customers continue to support safety as a priority, safety training investments are vital. TSI plans to enhance its safety training services to accommodate changing needs and growing demands. TSI has a 40-year history of providing valuable training to the government and has achieved success as a fee-for-service organization.

## Detailed Justification for Volpe National Transportation Systems Center

### What Do I Need to Know Before Reading This Justification?

The Volpe Center programs are funded through its Working Capital Fund (WCF) on a full cost reimbursable basis. The Volpe Center WCF receives no direct appropriations and its costs are paid by its customers via interagency or reimbursable agreements.

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

#### FY 2015 Volpe National Transportation Systems Center

(\$000)

	FY 2013 <u>ACTUAL</u>	FY 2014 <u>ENACTED</u>	FY 2015 <u>REQUEST</u>	<b>Difference from FY 2014 <u>Enacted</u></b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	[70,000]	[70,000]	[70,000]	[0]
Travel	[4,000]	[4,000]	[4,000]	[0]
Other Costs	[186,000]	[186,000]	[186,000]	[0]
<b>TOTAL</b>	<b>[260,000]</b>	<b>[260,000]</b>	<b>[260,000]</b>	<b>[0]</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	550	550	550	0
Direct FTE	0	0	0	0
Reimbursable FTE	536	532	532	0

### What Is This Program?

The Volpe Center WCF is authorized under 49 U.S.C. 328 to provide research, development, testing, evaluation, analysis, and related activities for the Department of Transportation, other Federal agencies, state and local governments, other public authorities, private organizations, and foreign countries.

The Volpe Center partners with public and private organizations to assess the needs of the transportation community, evaluate research and development endeavors, assist in the deployment of state-of-the-art transportation technologies, and inform decision- and policy-making through the Center's comprehensive analyses.

Volpe serves its sponsor agencies with advanced technologies, research, expertise and programs to ensure a fast, safe, efficient, accessible and convenient transportation system that meets vital National and International interests and enhances the quality of life for the traveling public.

Volpe's programs are driven by the needs of its sponsors. Volpe supports its sponsors in important efforts such as NextGen for the FAA, MAP-21 safety implementation for FTA, High Speed Rail for FRA, Strategic Highway Research Program (SHRP2) for FHWA, CAFÉ Standards for NHTSA, Security Upgrades for MARAD/U.S. Merchant Marine Academy, Crash Weighting for FMCSA, and the Safety Pilot program for Intelligent Transportation Systems Joint Program Office.

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

The Volpe Center provides a unique capability in the synergy of transportation expertise with its institutional knowledge of the global transportation system and its stakeholder perspective, the Federal perspective with its awareness of Federal responsibilities, objectives, and activities in the public interest, and experience with the full spectrum of technologies and disciplines relevant to transportation system improvements. Over five hundred federal employees, all dedicated transportation professionals and half of which have advanced degrees, are the Center's most important asset. These employees represent a full spectrum of disciplines from engineering to physical and social sciences.

The Volpe Center provides leadership to advise, facilitate and manage a wide range of high profile, complex, often rapid response, Departmental, agency, and priority initiatives of the Secretary. Through extensive outreach and coordination, the Volpe Center supports the U.S. DOT's efforts to expand its understanding of current and emerging issues through strategic planning initiatives and timely communication.

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

The Volpe Center's activities support the missions and strategic goals of Department agencies and many other Federal agencies on a full cost-reimbursable basis. DOT and other agencies provide funding to the Volpe Center to take advantage of its extensive expertise and experience, its proven ability to deliver high quality products and services, and its customer focus, all which have been validated by periodic customer satisfaction assessments. All Volpe Center sponsors are voluntary customers – no one is mandated to fund activities at Volpe and the fact that sponsors continuously return to the Volpe Center for support of new initiatives is a testament to the quality and value of the Volpe Center, the Department and the Nation.

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

The Volpe Center's purpose is to advance transportation innovation for the public good and its core values are public service, innovative solutions, professional excellence, and collaboration and partnering. To facilitate its purpose and mission, the Volpe Center is organized into technical centers. Collectively, these technical centers provide progressive, multidisciplinary expertise in

support of key national transportation issues and work to solve complex transportation problems.

**DEPARTMENT OF TRANSPORTATION**  
**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**WORKING CAPITAL FUND,**  
**VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER**  
**PROGRAM AND FINANCING (in thousands of dollars)**

Identification code 69-4522-0-4-407

<u>Line No</u>		<u>FY 2013 ACTUAL</u>	<u>FY 2014 ENACTED</u>	<u>FY 2015 REQUEST</u>
<b>Budgetary Resources</b>				
1000	Unobligated balance brought forward, October 1	302,612	286,368	286,368
1050	Total Unobligated balance	302,612	286,368	286,368
<b>Budget Authority</b>				
1700	Collected	272,611	260,000	260,000
1701	Change in uncollected payments, fed sources	1,353		
1750	Spending authority from offsetting collections	273,964	260,000	260,000
1910	Total budgetary resources available	576,576	546,368	546,368
2103	Total new obligations	290,207	260,000	260,000
2301	Unexpired unobligated balance, end of year	286,368	286,368	286,368
<b>Change in Obligated Balance</b>				
3000	Unpaid obligations brought forward	129,902	145,285	6,832
3010	Obligations incurred, unexpired accounts	290,207	260,000	260,000
3020	Outlays (gross)	(274,824)	(398,000)	(260,000)
3050	Unpaid obligations end of year (gross)	145,285	6,832	6,832
3060	Uncollected payments, fed sources, brought forward	(84,332)	(85,685)	(85,685)
3070	Change in uncollected payments, fed sources, unexpired	(1,353)		
3090	Unpaid obligations end of year (gross)	(85,685)	(85,685)	(85,685)
3100	Obligation balance, start of year	45,570	59,600	(78,853)
3200	Obligation balance, end of year	59,600	(78,853)	(78,853)
<b>Budget Authority and Outlays</b>				
4000	Budget Authority (gross)	273,964	260,000	260,000
4010	Outlays from discretionary authority	175,671	260,000	260,000
4011	Outlays from discretionary balances	99,153	138,000	
4020	Outlays, gross (total)	274,824	398,000	260,000
4030	Offsetting collections from federal sources	(271,860)	(260,000)	(260,000)
4033	Offsetting collections from non-federal sources	(1,351)		
4040	Offsets against gross budget authority and outlays	(273,211)	(260,000)	(260,000)
4050	Change in uncollected payments, fed sources, unexpired	(1,353)	-	-
4060	Additional offsets against budget authority only (total)	(1,353)	-	-
4070	Budget authority, net (discretionary)	(600)	-	-
4080	Outlays, net (discretionary)	1,614	138,000	-
4180	Budget authority, net (total)	(600)	-	-
4190	Outlays, net (total)	1,614	138,000	-

## OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

WORKING CAPITAL FUND  
VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER

## Object Classification (in thousands of dollars)

Identification code 69-4522-0-4-407

## Reimbursable Obligations

Obj Code	Item	<u>FY 2013 ACTUAL</u>	<u>FY 2014 ENACTED</u>	<u>FY 2015 REQUEST</u>
<b>Personnel compensation</b>				
2 111	Full-time permanent	51,063	52,000	52,000
2 113	Other than full-time permanent	4,131	3,000	3,000
2 115	Other personnel compensation	407	1,000	1,000
2 119	Total personnel compensation	55,601	56,000	56,000
2 121	Civilian personnel benefits	16,913	14,000	14,000
2 130	Benefits for former personnel	16	0	0
2 210	Travel & transportation of persons	3,461	4,000	4,000
2 220	Transportation of things	55	0	0
2 233	Commun, utilities & misc. charges	2,860	6,000	6,000
2 240	Printing and reproduction	24	0	0
2 251	Advisory and assistance services	-129	0	0
2 252	Other services	51,324	63,000	63,000
2 253	Purch of G&S from Govt accounts	861	1,000	1,000
2 254	O&M of facilities	3,921	5,000	5,000
2 255	R&D Contracts	137,634	98,000	98,000
2 257	O&M of equipment	525	1,000	1,000
2 260	Supplies and materials	7,312	1,000	1,000
2 310	Equipment	8,688	8,000	8,000
2 320	Land and structures	1,137	3,000	3,000
2 999	Total new obligations	290,203	260,000	260,000

**EMPLOYMENT SUMMARY**

Reimbursable:				
2 001	Civilian full-time equivalent employment	536	532	532



## Detailed Justification for the Intelligent Transportation Systems (ITS) Program

### What Do I Need to Know Before Reading This Justification?

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The Intelligent Transportation Systems (ITS) Program is authorized by MAP-21 to execute the scope of research outlined in the ITS Strategic Research Plan. With the creation of the Office of the Assistant Secretary for Research and Technology, the ITS Program will be better positioned to leverage the entire work of the Department utilizing technology to advance transportation goals. The ITS JPO will increase its visibility and broaden its outreach to the entire Department in leveraging modal research and applying innovative solutions to our nation's transportation challenges. The ITS JPO is focused on significantly reducing crashes through advanced safety systems based on interoperable wireless communications among surface transportation vehicles of all types, traffic signals, other infrastructure systems, pedestrians, wireless devices, and automated vehicle systems.

### What is the Request and What Will We Get For The Funds?

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#### FY 2015 - Intelligent Transportation Systems (ITS)

(\$000)

	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	Difference from FY 2014 Enacted
<b>FUNDING LEVELS</b>				
Personnel Compensation and Benefits	[0]	[0]	[0]	[0]
Travel	[0]	[0]	[0]	[0]
Research	[75,298]	[74,440]	[89,590]	[15,150]
Technology Transfer and Evaluation	[15,410]	[15,460]	[18,410]	[2,950]
ITS Program Support	[5,000]	[5,000]	[5,000]	[0]
<b>TOTAL<sup>1</sup></b>	<b>[95,708]</b>	<b>[94,900]</b>	<b>[113,000]</b>	<b>[18,100]</b>
<b>STAFFING</b>				
Direct Positions	[17]	[17]	[17]	[0]
Reimbursable Positions	[0]	[0]	[0]	[0]
Direct FTE	[17]	[17]	[17]	[0]
Reimbursable FTE	[0]	[0]	[0]	[0]

<sup>1</sup>Resources are shown as non-adds because funding resides in the FHWA budget.

The FY 2015 request is \$113 million in program funds and staffing of 17 FTE, which is an increase of \$13 million.

**Key Actions and Milestones Anticipated:**

- Support the completion of necessary research to enable NHTSA to implement rulemaking on vehicle-to-vehicle communications technology using dedicated short-range communications (DSRC).
- Implement an early implementation pilot program that develops, test, and support deployment of smart multimodal connected vehicle applications for safety, mobility, and environmental sustainability purposes to allow State DOTs, local transportation agencies, and other systems operators to deploy and operate smart infrastructure.
- Continue to facilitate the operations of one or more multi-source data environments to enable transformative operations efficiency and environmental sustainability for transportation managers of freeways, arterials, transit systems, maritime systems, and rail systems.
- Transfer research results to relevant state and local agencies and other ITS stakeholders and provide technical assistance for implementation.
- Complete the necessary research to support implementation of the 2014 NHTSA Agency decision on vehicle-to-vehicle communications safety technology for heavy trucks.
- Conduct the necessary research to support the 2015 FHWA agency decision on deployment guidance for state and local agencies on connected vehicle systems.
- Implement the plan to incentivize ITS Deployment through existing deployment activities carried-out by surface transportation modal administrations.
- Implementation of research priorities identified in the Department’s automated vehicle multimodal research plan.
- Implementation of research stemming from the development of the Department’s 2015 to 2019 ITS Strategic Plan. The next ITS Strategic Plan cycle will emphasize Vehicle-to-Vehicle and Vehicle-to-Infrastructure deployment readiness.

**What Is This Program?**

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The ITS program consists of a multimodal, short-term intermodal, and exploratory research program administered as a collaborative partnership between the program and DOT modal administrations. With the additional funding an early implementation pilot program will be added to support the demonstration and evaluation of model deployment connected vehicle systems across the United States.

**Anticipated FY 2015 Accomplishments:**

The Department will complete the prototype development and testing of vehicle to infrastructure based safety applications to validate the accuracy of the applications and readiness for implementation in real world operating environments. Real time data capture and management testing of several dynamic mobility applications will be completed to validate data quality, reliability, and consistency to ensure it supports operational requirements of transportation managers and information requirements for users. The ITS program will have initiated the major research, testing, and data collection to support the NHTSA Agency decision on vehicle-to-vehicle communications safety technology for heavy trucks.

Vehicle-to-vehicle and vehicle-to-infrastructure communications technical standards have been developed, and the vehicle-to-vehicle and the upgraded vehicle-to-infrastructure communications

test bed in Detroit, Michigan is in use to validate the vehicle-to-vehicle and vehicle-to-infrastructure communications safety technology standards and equipment as part of the Safety Pilot testing and prototyping of vehicle to infrastructure safety, environment, and dynamic mobility applications prototypes. Real time data capture and management program will provide lessons learned to the data aggregator industry and state and local agencies to support data management systems and capabilities to be implemented. International standards harmonization will be achieved with the International standards development organizations. Technology transfer and outreach activities will be conducted to support the broad range of stakeholders involved in the program and throughout the transportation community.

**Strategic Goals:** The ITS program specifically supports five of DOT’s strategic goals: Safety, Environmental Sustainability, Quality of Life in Communities, Economic Competitiveness, and State of Good Repair.

**Purpose and Beneficiaries:** The purpose of the ITS program is to fulfill the research role outlined by Congress and to support the DOT strategic goals. Beneficiaries include the traveling public, State DOTs, automotive manufacturers, transit agencies, local transportation agencies, private industry data providers, application developers, academia, and International transport agencies.

**Partners:** The ITS program jointly conducts research with our modal partners, including:

- Federal Highway Administration (FHWA)
- Federal Motor Carrier Safety Administration (FMCSA)
- Federal Railroad Administration (FRA)
- Federal Transit Administration (FTA)
- Maritime Administration (MARAD)
- National Highway Traffic Safety Administration (NHTSA)
- Pipelines Hazardous Materials Safety Administration (PHMSA)

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

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Without Federal research investment and Federal leadership, vehicle-to-vehicle and vehicle-to-infrastructure technologies and applications are unlikely to be realized. Federal leadership is critical to ensuring collaboration among automotive manufacturers and their suppliers as well as between the automotive industry and public sector agencies. Further, to realize the safety benefits, coordination is required for implementation at a nationwide scale. The Federal government, working through DOT, is uniquely positioned to facilitate and enable the ultimate implementation of this technology.

Building on the success of the Safety Pilot, the federal leadership is necessary to support the demonstration and testing of vehicle to infrastructure safety, dynamic mobility applications and environmental applications. Real world lessons learned and benefits need to be gathered, that combined with the FHWA Deployment Guidance will set the foundation for state and local agencies to implement connected vehicle systems.

Private sector innovations will still be developed for technologies that have market demand or a clear business case. However, due to the high risk and cost involved with safety applications and

the need for nationwide interoperability, there is not a clear business case for the development of vehicle-to-vehicle or vehicle-to-infrastructure safety applications without Federal research and government-sponsored standards development to ensure interoperability.

Further, without Federal research investments, State DOTs, transit properties, and transportation managers will not have the resources to conduct independent ITS research and implement successful research and technology results. Without this funding, the adoption and deployment of ITS by state and local transportation agencies could be reduced. Evidence shows that ITS research supported a 185% increase in ITS deployment among the 75 largest metropolitan areas, a rate of \$500 million a year. Furthermore, the Nation's strong ITS safety technologies leadership position could also be jeopardized if this program is not funded. This in turn could hurt the domestic industries that manufacture ITS technology.

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

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**Effective:** The amount of ITS technology deployment by State DOTs and transit agencies has been increasing over time. Data from the 2010 deployment tracking survey (Center for Transportation Analysis, Oakridge Laboratories, Knoxville, TN, 2010) indicates that \$18 billion has been spent on ITS deployment in the top 75 metropolitan areas. Between 2005 and 2010, about \$500 million was spent per year. This far exceeds the amount of Federal research investment and argues that such investment has been successfully leveraged over time. The saturation of ITS deployment differs across applications, ranging from 94% penetration for electronic toll collection technology, 61% penetration of electronic fare payment in transit properties to 54% for freeway surveillance systems. As a result, our transportation system has benefitted from this deployment in terms of increased mobility, better emergency and incident response times, better overall traffic management, and increased rush hour capacity. Additionally, private sector companies have made investments that are not easily captured. Current research is seeding private sector investment in vehicle-to-vehicle technology, based on the promise of these technologies for saving lives and an announcement by NHTSA that in 2013 the agency will assess whether the technologies warrant regulation or other means of encouraging adoption in new vehicles.

**Research:** Anticipated positive results from our Safety Pilot Model Deployment in Michigan will have demonstrated that the vehicle-to-vehicle and vehicle-to-infrastructure approach is feasible and effective. Additionally, vehicle-to-vehicle driver clinics recently completed in six different geographic locations resulted in overwhelmingly positive feedback from objective test drivers selected from the public. This strongly suggests that the systems were effective and beneficial. Independent evaluations are conducted on all research projects and made available to the public through the National Transportation Library. Effective strategies and technologies are being adopted, such as congestion initiatives and rural safety applications that have been demonstrated in specific operational locations around the country.

The Technology Transfer program ensures that ITS research meets stakeholder needs and can be effectively implemented. Program Support ensures the efficient use of program resources through best program management practices and monitoring and coordination with other initiatives that

may impact the ITS research. Both are critical to having an effective research program that serves the customer.

**Efficient:** Vehicle-to-vehicle research is being conducted to enable a decision by the Department in 2013 about whether to pursue a regulatory process to require technology in new light vehicles or to take other action to encourage adoption of related safety technologies. A second decision milestone is also scheduled in 2014 for heavy trucks. FHWA will make a third decision in 2015 to provide Deployment Guidance. The efficient planning, acquisition, demonstration, and evaluation of a complex research workload support this aggressive regulatory and policy timeframe.

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

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**Funding Options:** The budget request is necessary to implement results from the NHTSA vehicle-to-vehicle 2013 decision milestone for light vehicles, the 2014 decision milestone for heavy trucks, and for the future development of this potentially game-changing technology. The Department requires a large-scale research and testing program with sufficient data to enable NHTSA and FHWA to make conclusive and reasoned decisions. Additionally, the funding supports related research that expands this technology to achieve benefits for mobility and the environment through the reduction of recurring and nonrecurring congestion; thereby, reducing emissions and fuel consumption.

The requested funding level will allow programs to be executed as described in the ITS Strategic Research Plan 2015 to 2019, and will support the multitude of transportation stakeholders that rely on technology solutions to the challenges that face our transportations systems. The funding will also allow the program to accelerate deployment of ITS technologies through demonstration programs, grants, incentives, and other strategies.

## Detailed Justification for Salaries and Administrative Expenses

### FY 2015 – Bureau of Transportation Statistics (Highway Trust Fund) Account

#### What Do I Need To Know Before Reading This Justification?

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The Salaries and Administrative Expenses line item provides for salaries and administrative expenses to carry out the mission for the staff funded from the Bureau of Transportation Statistics (BTS) account. The BTS staff supports the Office of the Assistant Secretary for Research and Technology's mission to provide transportation statistics research, analysis, and reporting in support of the Department's strategic goals and stakeholder needs.

The 70 FTE support the organization's mandate to enhance the data collection and statistical analysis programs in support of data-driven decision-making across the Department and program management and program support administrative expenses.

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

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##### FY 2015 - Salaries and Administrative Expenses - Budget Request

(\$000)

	<b>FY 2013 ACTUAL</b>	<b>FY 2014 ENACTED</b>	<b>FY 2015 REQUEST</b>	<b>Difference from FY 2014 Enacted</b>
<b>FUNDING LEVELS</b>				
Personnel Compensation and Benefits	[12,245]	[12,336]	[12,433]	[97]
Travel	[130]	[130]	[130]	[0]
Other Costs	[8,492]	[8,453]	[8,356]	[-97]
<b>TOTAL<sup>1</sup></b>	<b>[20,867]</b>	<b>[20,919]</b>	<b>[20,919]</b>	<b>[0]</b>
<b>STAFFING</b>				
Direct Positions	117	117	117	0
Reimbursable Positions	19	19	19	0
Direct FTE	70	70	70	0
Reimbursable FTE	14	14	14	0

<sup>1</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

#### What Is This Program?

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This request provides \$20.919 million for the salaries and program management and program support administrative expenses. The base funding provides for the pay raise, inflation, and other associated operating expenses and contract services.

Operating expenses include salaries and benefits (\$12.433 million), travel (\$131 thousand), GSA rent (\$1.472 million), printing (\$5 thousand), Working Capital Fund (\$4.212 million), supplies (\$20 thousand), equipment (\$758 thousand), and other common service expenses (\$1.888 million). Other common service expenses include: accounting systems and services, HR systems and services, e-Gov, IT hardware and software, SharePoint and web services.

The salaries and administrative expenses line item in the BTS account provides organized program management and program support services necessary to provide statistics research, analysis, and reporting of the Office of the Assistant Secretary for Research and Technology.

The Office of the Assistant Secretary for Research and Technology is fully committed to reducing wasteful spending and programs that do not work, strengthening and streamlining programs that do work, transforming government operations to save money, and improving performance to make government more responsive and open to the needs of the American people. To achieve this objective, this organization has embarked on several administrative cost saving initiatives: reducing IT costs by repurposing and consolidating servers and using the cloud environment where possible; limiting the number of IT devices issued to program staff; standardizing to black and white printers to eliminate costly color toner cartridge charges; reducing travel expenses by participating in meetings via telecom and VTC whenever possible; reducing publication and shipping costs by making documents available online; increasing webinar usage to engage critical stakeholder groups; reducing travel expenses by limiting the occurrence of meetings outside the DC area; and partnering with other DOT agencies to reduce training costs.

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

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This program is necessary to provide mission program services, program management, and program support services that improve and sustain existing operations, coordination, and program performance. The Office of the Assistant Secretary for Research and Technology has built a developed a highly educated and diverse and collaborative workforce that will enable the Department to advance a transportation system that serves the nation's long-term safety, social, economic, security, and environmental needs. Our workforce will be capable of handling any complex transportation issues that might occur and will provide important opportunities for staff to sharpen existing competencies and develop aspiring leaders for the future.

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

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This program is necessary to provide mission program services, program management, and program support services that improve and sustain existing operations, coordination, and program performance.

The Office of the Assistant Secretary for Research and Technology's organizational performance is measured by its ability to provide high quality service in program management and program support services. In order for this organization to effectively operate and sustain the coordination of transportation systems research, sufficient staffing is necessary and operating expenses are required. The requested funding of \$20.919 million is sufficient to implement the goals of the Office of the Assistant Secretary for Research and Technology.



## Detailed Justification for Bureau of Transportation Statistics Core Program

### What Do I Need To Know Before Reading This Justification?

The Bureau of Transportation Statistics (BTS) is funded primarily as an allocation from the Federal Highway Administration's Federal-Aid Highways account. BTS collects, compiles, analyzes, and disseminates statistics on the extent, use, performance, and consequences of the nation's transportation systems. BTS also maintains an Airline Transportation Statistics Program that is reimbursed from the Federal Aviation Administration's operations budget and a reimbursable Close Calls Data Program. This proposal continues the core program that has grown in scope through four authorizations, and requests an increase in funds for one new initiative to meet current information needs of decision makers.

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

#### FY 2015 - BTS Core Program - Budget Request

(\$000)

	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>Difference</b>
	<b><u>ACTUAL</u></b>	<b><u>ENACTED</u></b>	<b><u>REQUEST</u></b>	<b>from FY 2014</b>
				<b><u>Enacted</u></b>
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits <sup>1</sup>	[0]	[0]	[0]	[0]
Travel <sup>1</sup>	[0]	[0]	[0]	[0]
Other Costs <sup>2</sup>	[5,081]	[5,081]	[8,081]	[3,000]
<b>TOTAL<sup>3</sup></b>	<b>[5,081]</b>	<b>[5,081]</b>	<b>[8,081]</b>	<b>[3,000]</b>
<b><u>STAFFING</u></b>				
Direct Positions	0	0	0	0
Reimbursable Positions	0	0	0	0
Direct FTE	0	0	0	0
Reimbursable FTE	0	0	0	0

<sup>1</sup>Funding appears in the Salaries and Administrative Expenses Justification. □

<sup>2</sup>Reflects contract funding only.

<sup>3</sup>Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

The FY 2015 BTS Core program request is for a total of \$8.1million. The request will fund existing mission services and establish one new initiative. An additional \$3 million is requested over previous years to establish the Travel Data Initiative described below. The Travel Data Initiative expands the previous BTS Travel Data Program by addressing the most critical gaps in our knowledge and understanding of passenger travel and vehicle fleets. The total requested funding will accomplish directly support strategic and mission goals outlined in the following pages.

### **Key Actions and Anticipated Milestones:**

- Produce, publish, and make data and statistics available online and via limited print documents to support the Department’s strategic goals, critical National initiatives, transportation research, and decision-making.
- Report a series of performance measures that identify the effects of transportation on economic development, the environment, and the quality of life.
- Develop and deploy data visualization tools that enhance the analytical capability of transportation planners, researchers, system operators, and decision-makers.
- Develop an online version of the National Transportation Atlas Database to assist planners, policy analysts, and decision-makers in understanding the extent, use, and consequences of the transportation system.
- Disseminate and analyze results of the 2012 Commodity Flow Survey and update the National Census of Ferry Operations.
- Support the Department in the interpretation and implementation of the statistical portion of the *DOT Information Dissemination Quality Guidelines*.
- Initiate improvements to statistics on passenger travel.
- Fill critical data gaps in the Travel Data Program by re-initiating the collection of intercity passenger travel, vehicle inventory and truck operational data, and public satisfaction information regarding the transportation system.
- Collaborate with other Federal Statistical Agencies and program offices on use of administrative records to reduce the cost and improve the accuracy of data collection.

### **Key Outputs Expected:**

- *2015 Transportation Statistics Annual Report (TSAR)*.
- Annual editions of Facts and Figures series, starting with *Passenger Travel Facts and Figures* and *Transportation Economics Facts and Figures*
- Compilations of transportation system performance measures
- Disseminate final releases of data products from the 2012 Commodity Flow Survey.
- Update the Intermodal Transportation Database and National Transportation Atlas Database, including improved data access and visualization tools.
- Publish Transportation Services Index with its key economic indicators.
- Publish comprehensive set of transportation economic accounts representing transportation’s role in the economy, transportation capital stocks, and a valuation of transportation services provided for and by households.
- Restructure website to improve public visibility and access to BTS products.

- Establish National Transportation Data and Research Archives within the National Transportation Library.
- Provide technical guidance to Departmental staff on performance measures and statistical quality standards.
- Methodological research and pilot studies to determine the optimal design for the next collection of long distance travel data, vehicle inventory and operational statistics, and public satisfaction measures.
- Evaluation studies of the analyses of the statistical use of administrative data and 'big data' as a key component of the travel data program.

**Key Outcomes Expected:**

- A comprehensive, credible information base to support analyses by all levels of government and the public of national transportation policies, programs, and major investments.
- Improved quality, relevance, timeliness, and reliability of performance measurements that transcend all modes of transportation.
- Effective access by the public to all transportation-related data collected by the federal government that are not restricted for confidentiality, proprietary, or security reasons.
- Minimum burden placed on respondents to BTS data collections.

**What Is This Program?**

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BTS is a national statistical agency established to serve the transportation community, including all levels of government and the private sector, with information that supports investments and other decision-making. BTS collects data that transcend or are amid DOT operating administrations and incorporates data from many sources into a series of on-line databases and statistical tables, geographic information systems, and reports. BTS is also home to the National Transportation Library, which is a repository of DOT research, a portal to transportation information throughout and beyond DOT, and a keystone in a transportation knowledge management network that shares statistical and other information throughout the transportation community.

BTS core programs support all DOT strategic goals (Safety, Economic Competitiveness, Quality of Life in Communities, State of Good Repair, and Environmental Sustainability) through providing an information base to support decision making at all levels of government in the United States.

The Bureau's core program as defined in section 52001 of MAP 21 (49 USC Chapter 63) includes 5 elements.

1. Collection, compilation, and integration of data into the Intermodal Transportation Database, covering the movement of people and goods throughout the nation, intermodal connections serving that movement, and the economic activity related to that movement.
2. Collection, compilation and integration of data into the National Transportation Atlas Database, including a geospatial representation of the extent and use of transportation networks, factors affecting the use of those networks, and the consequences of those networks.
3. Compilation and analysis of statistics on the performance and consequences of the transportation system and publication in the *Transportation Statistics Annual Report*.

4. Coordination of statistical policies and programs of the Department of Transportation and coordination of the Department's programs with other national statistical agencies.
5. The National Transportation Library, which disseminates statistical and other information products to decision makers and the public; serves as a repository of transportation statistics and databases for the transportation community and a repository of research by the Department of Transportation; and develops knowledge networks among libraries and other depositories of transportation information.

BTS also includes an airline transportation statistics program required by the following mandates:

- 49 USC 329(b)(1) directs the Secretary to "... collect and disseminate information on civil aeronautics ... including, at a minimum, information on (A) the origin and destination of passengers in interstate air transportation ... and (B) the number of passengers traveling by air between any two points in interstate air transportation ..."
- The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21) requires the Secretary to disclose more fully to the public the nature and source of delays and cancellations experienced by air travelers.
- 39 U.S.C. 5402(k) requires the Secretary to collect aircraft operational data to be provided to the U.S. Postal Service for mail tender purposes.
- Recent DOT rulemakings have expanded the types of on-time performance data that large airlines must report, including tarmac delay times, and its dissemination through the Air Travel Consumer Report and the BTS website.

**Partners:** BTS coordinates with DOT operating administrations, other federal statistical agencies, as well as other non-federal government entities for data collection to reduce burden on the public. BTS also works closely with other federal statistical agencies to enhance the usefulness of their data programs and publications for the transportation community.

The Bureau's major data collection programs include five major elements.

- The Commodity Flow Survey is conducted every 5 years as part of the Economic Census, and measures the volume and value of shipments by all modes of transportation between regions of the country. This survey provides key data for national and state freight plans, and has guided the development of major freight policies in recent legislation such as the establishment of primary Freight Corridors under MAP-21.
- The Transborder Freight Program measures the volume and value of shipments across the borders with Canada and Mexico by all modes of transportation, and provides data that are central to understanding changes in freight flows and economic activity since passage of the North American Free Trade Agreement. Transborder freight data are extracted from foreign trade statistics collected by the Census Bureau.
- The National Census of Ferry Operations is conducted in odd-numbered years to measure the extent and use of ferries throughout the nation. Data from this program are used by the Federal Highway Administration to apportion funds to states for the construction of ferry boats and terminal facilities.
- Airline transportation statistics include data collected from commercial carriers on traffic, passenger origins and destinations, on-time performance and tarmac delays, and finance. These data are used by the federal government to set certain postal rates and to assess regulatory

actions, by industry to plan for capacity improvements, and by the public to understand the performance and costs associated with air travel.

- BTS collects confidential close calls data for participating transportation service providers to identify trends in incidents that warrant countermeasures to improve safety.

Data collected by BTS are combined with other information into several major products:

- The Intermodal Transportation Database includes the volume of passenger and freight movement within and between regions of the United States, as well as an accounting of economic activity related to that movement. Freight movements are based primarily on the Commodity Flow Survey and the Transborder Freight Data Program, and are integrated into the Freight Analysis Framework (FAF). An equivalent set of data for passenger flows requires implementation of the Travel Data Initiative described below. Economic activity is measured in part by the Transportation Satellite Account, an extension of the National Income and product Accounts developed by BTS in conjunction with the Bureau of Economic Analysis. BTS is undertaking research to add a capital stocks account to the Intermodal Transportation Database to provide a national valuation of transportation assets.
- The National Transportation Atlas Database assigns region-to-region flows from the Intermodal Transportation Database to specific portions of the transportation network and to the communities and environmental conditions that are affected by the network. The National Transportation Database has been distributed in a form that can be read by Geographic Information Systems software. BTS is currently working to create an on-line version that can be accessed by the public without additional software or expertise over the web.
- National Transportation Statistics is a compilation of over 200 tables covering all aspects of transportation system use, condition, performance, and consequences. These statistical summaries are available on line and are updated quarterly. Additional tables of monthly national statistics and annual state statistics are also published.
- Do-it-yourself tables can also be created from BTS data collections and the Intermodal Transportation Database through the BTS web site. Examples include on-time performance of individual flights, monthly flows of freight through specific border crossings, and estimates of household trips for individual Census tracts.

BTS analyzes these data compilations and databases in the *Transportation Statistics Annual Report* and other publications to identify trends and describe the condition and performance of the transportation system from various perspectives, including providers of transportation facilities and services as well as transportation system users. The *Transportation Statistics Annual Report* also provides an assessment of the quality of transportation statistics and of gaps in essential information for decision-making.

In response to the biggest gaps in existing data, BTS proposes the Travel Data Initiative. The last collection of long distance or intercity passenger travel occurred in 1995 with the American Travel Survey (ATS). The 1995 ATS provided robust data of the movement of people between metropolitan areas by transportation mode, trip purpose, days traveled, and other trip

characteristics. It was also a critical component of the Intermodal Transportation database, complementing the capture of freight movements by the Commodity Flow Survey to provide a comprehensive picture of goods and people movement. The absence of up-to-date intercity long distance passenger travel data greatly hinders the transportation community's ability to target scarce resources. The 2011 Transportation Research Board (TRB) national policy study report, *How We Travel: A Sustainable National Program for Travel Data*, detailed the importance of timely and comprehensive passenger travel data. Transportation planners and decision makers require updated data describing characteristics of long distance intercity passenger travel, particularly in the context of major investments in intercity highways, aviation, and high-speed rail. Long distance and local travel are key contributors to safety risk exposure, infrastructure performance, greenhouse gas and other emissions, and economic performance. The last national collection of long distance travel data by all modes is two decades old, but remains the only comprehensive source of intercity passenger travel.

The proposed Travel Data Initiative initiates reestablishment of the Omnibus Household Survey (OHS). The OHS provides a quick turnaround data collection tool for DOT to gather information on time-sensitive transportation issues. This initiative also initiates the reestablishment of the Vehicle Inventory and Use Survey (VIUS). Last conducted in 2002, the VIUS captures the physical and operating characteristics of trucks and other vehicle fleets. Finally, the initiative allows for further development of strategies for measuring long-distance travel from a combination of targeted surveys, administrative records, and "big data" analyses of emerging data sources such as Global Positioning System tracks.

The Omnibus Household Survey collects data from over 1,000 nationally representative households and a target sample of 500 households in nine selected Metropolitan Statistical Areas. Survey questions cover a variety of areas to better understand the nation's satisfaction with the transportation system, including items related to: mode use, journey to work, distracted driving, telecommuting, quality of life in communities, security screening procedures at airports; and bicyclists and pedestrian attitudes and interests. For FY 2015 this survey will provide a quick turnaround data collection vehicle for use across DOT to gather information on time-sensitive transportation issues. In addition, the survey can assist in providing national level performance measures by assessing the public's perception of proposed and enacted highway system improvements, such as congestion mitigation efforts. As a result, transportation analysts are better able to identify areas for improvement, develop model parameters for forecasting and establish performance measures to evaluate improvements.

The Vehicle Inventory and Use Survey (VIUS) provides a unique combination of information on mileage travelled, energy consumed, economic and other purposes served, and vehicle characteristics based on a sample of registered vehicles. This survey was conducted by the Census Bureau every 5 years from the 1960s until 2002, when it was discontinued due to budget reductions. The VIUS is a key data source for air quality assessments, for understanding the economic role of vehicle activity, and many other policy and performance measurement concerns. DOT proposes to restore the survey on a 5-year cycle, supplemented with administrative records and technology-based monitoring for annual updates.

BTS will also conduct methodological research and pilot studies as the initial steps in the reestablishment of a National Long Distance Travel Data Program. In addition, this program will explore alternative data sources as a means of supplementing and improving the uses and quality of data from this program, while mitigating the often high cost of data collection. This program will enable the collection of baseline information to estimate the city-to-city flows of persons travelling by type of mode, as well as by important socio-demographic characteristics (e.g., the growing population of the elderly).

### **Prior Year Accomplishments:**

- Provided support to the Department in the interpretation and implementation of the statistical portion of the DOT *Information Dissemination Quality Guidelines*.
- Supported intra-agency requests, such as review of statistical methods in rulemaking processes to ensure that rulemakings are based on sound data.
- Conducted statistical data quality reviews of data compilations and products.
- Provided statistical support for DOT's *Performance and Accountability Report*.
- Produced and published the annual *Transportation Statistics Annual Report*.
- Updated all major BTS products disseminated through the web by the National Transportation Library.
- Produced bi-monthly web update of the Multimodal Transportation Indicators.
- Produced relevant and timely focused analytical and technical reports on transportation and statistics-related issues and data.

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

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This program provides essential information to decision makers to understand transportation issues, forecast future conditions, decide among public actions to improve performance of the transportation system, and reduce problems related to safety, energy, and the environment. Congress determined in 1991 that an independent source of information within DOT, not tied to existing programs, was necessary to assure objectivity and accuracy of the statistics, and the Congress has reaffirmed that determination in all subsequent surface transportation authorizations.

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

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**Effective:** High demand from the Office of the Secretary of Transportation (OST), modal administrations, researchers, media, public and international partners to incorporate data and statistics into work products and decisions.

**Research:** Customer outreach, online customer survey (American Customer Satisfaction Index), monitoring of data requests from the library reference services and downloads from BTS web pages, and stakeholder feedback.

**Sub-program Balance:** Emphasis on data quality, performance measurement, administrative records and data mining to supplement traditional surveys, data visualization and dissemination, and International partnerships to address critical areas.

**Efficient:** One organization for transportation statistics expertise and data quality guidance in all modes.

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

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Funding of \$8.1 million from the Federal-aid Highway Program and \$4 million from the Federal Aviation Administration is sufficient to implement these programs. This funding is needed to accomplish department and mission goals. The \$3 million increase to establish the Travel Data Initiative allows the program to collect, analyze, and report on multi-modal, multidimensional data that directly support the Department's strategic goals of Safety, Economic Competitiveness, Quality of Life in Communities, State of Good Repair, and Environmental Sustainability. It addresses critical data gaps that have existed in national travel data for 10-20 years, including the lack of current intercity passenger travel and outdated data on the physical and operating characteristics of trucks. If BTS not receive the additional funding in FY2015, the absence of travel data will hinder transportation planners and decision maker's capacity to target and align scarce resources to those projects with the greatest net benefit.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**RESEARCH AND TECHNOLOGY**  
**Bureau of Transportation Statistics**

Explanation of Funding Changes

(\$000)

<u>ITEM</u>	<u>AMOUNT</u>	<u>FTEs</u>
<b><u>FY 2013 Actual</u></b>	<b>\$25,948</b>	<b>70</b>
<b>FY 2014 Enacted</b>	<b>\$26,000</b>	<b>70</b>
<u>Adjustments to base:</u>		
Annualization of January 2014 Pay Raise	\$31	
Annualization of New Positions Requested in FY	\$0	
January 2015 Pay Raise	\$92	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$28	
<b>FY 2015 Baseline Estimate</b>	<b>\$26,151</b>	<b>70</b>
 <u>FY 2015 Program Changes (+/-):</u>	 \$3,000	
 Base Offsets/Redirection of Resources:	 -\$151	
<b>Total, FY 2015 Rquest</b>	<b>\$29,000</b>	<b>70</b>

**OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY**  
**BUREAU OF TRANSPORTATION STATISTICS**  
 (Allocation Account under FHWA's Federal-Aid Highway)  
**OBJECT CLASSIFICATION**  
 (In thousands of dollars)

		<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
		<b><u>ACTUAL</u></b>	<b><u>ENACTED</u></b>	<b><u>REQUEST</u></b>
<b><u>Direct Obligations:</u></b>				
<b>Personnel compensation:</b>				
1111	Full-time permanent	7,765	9,610	9,675
1113	Other personnel compensation	136	152	152
1115	Other personnel compensation	<u>10</u>	<u>204</u>	<u>204</u>
1119	Total Personnel Compensation	7,910	9,966	10,032
1121	Civilian Personnel benefits	2,176	2,370	2,401
1210	Travel and Transportation of persons	77	130	131
1220	Transportation of Things	1	0	0
1231	Rent to GSA	1,353	1,457	1,472
1240	Printing & Production	10	5	5
1250	Other Services	12,942	11,294	14,181
1260	Office Supplies	17	20	20
1310	Equipment	270	758	758
1420	Claims	<u>27</u>	<u>0</u>	<u>0</u>
1990	Subtotal, direct obligations	24,783	26,000	29,000
1990	Reimbursable obligations	<u>6,963</u>	<u>10,000</u>	<u>15,000</u>
1990	Total obligations	31,746	36,000	44,000

**Personnel Summary:**

<b>Reimbursable:</b>				
2001	Civilian Full-time Equivalent Employment	11	14	14
<b>Direct:</b>				
3001	Civilian Full-time Equivalent Employment	67	70	70

## Detailed Justification for the Airline Transportation Statistics Program

### What Do I Need To Know Before Reading This Justification?

The Airline Transportation Statistics Program provides comprehensive data, analysis, and expert advice to support Departmental policies, programs, and regulations regarding the airline industry. Air transportation and the airline industry play a critical role in enhancing the economic competitiveness of the United States, and the data and services provided by the Airline Transportation Statistics Program enable a comprehensive understanding of the national airline transportation system, insofar as operational and financial metrics. Statistics and analysis developed within the Program provide insight across a wide range of topics, allowing DOT, industry, and the Administration to make well-informed business, policy, and legislative decisions. Examples of the diverse scope and purpose of Program activities include:

- 49 USC 329(b)(1) directs the Secretary to "... collect and disseminate information on civil aeronautics ... including, at a minimum, information on (A) the origin and destination of passengers in interstate air transportation ... and (B) the number of passengers traveling by air between any two points in interstate air transportation ..."
- The Wendell H. Ford Aviation Investment and Reform Act for the 21st Century (AIR-21) requires the Secretary to disclose more fully to the public the nature and source of delays and cancellations experienced by air travelers.
- 39 U.S.C. 5402(k) requires the Secretary to collect aircraft operational data to be provided to the U.S. Postal Service for mail tender purposes.
- Recent DOT rulemakings have expanded the types of on-time performance data that large airlines must report, including tarmac delay times, and its dissemination through the Air Travel Consumer Report and the BTS website.
- The implementation of the *Notice of Proposed Rulemaking for Reporting Ancillary Airline Passenger Revenues* will require more resources for processing the additional financial data submitted by carriers.

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

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### FY 2015 - Airline Transportation Statistics

(\$000)

	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST	Difference from FY 2014 Enacted
<b>FUNDING LEVELS</b>				
Personnel Compensation and Benefits	[1,264]	[1,264]	[1,275]	[0]
Travel	[5]	[5]	[5]	[0]
Other Costs <sup>1</sup>	[2,731]	[2,731]	[2,720]	[0]
<b>TOTAL</b>	<b>[4,000]</b>	<b>[4,000]</b>	<b>[4,000]</b>	<b>[0]</b>
<b>STAFFING</b>				
Direct Positions	0	0	0	0
Reimbursable Positions	19	19	19	0
Direct FTE	0	0	0	0
Reimbursable FTE	14	14	14	0

<sup>1</sup>The total funding includes salaries and administrative expenses and contract program.

The budget request is \$4 million and will be provided by the FAA through a Reimbursable Agreement. This funding supports salaries and administrative expenses for 14 FTE, as well as contract program funds.

#### Key Actions and Anticipated Milestones:

- Maintain the national airline data system: collect and disseminate airline financial, traffic, performance, and operational data from more than 100 U.S. airlines and operational data for more than 175 foreign carriers.
- Enhance the Program's electronic filing system to better track and manage data submissions that are missing, incomplete, inaccurate, or in some other way problematic.
- Support the crafting of the final rulemaking for the collection of airline ancillary revenues, and implement processes and procedures to support a new Part 241 Schedule P-9 ancillary revenues data collection.
- Provide training and instructions to airlines on data quality assurance processes, as well as guidelines for streamlining compliance with data reporting requirements and processes.
- Complete a Data Quality review of all major Program areas: financials, traffic, performance, and operational data; to ensure accuracy of current edits and to determine additional edits that should be implemented to improve data quality and reliability.

Key Outputs Expected:

- Faster, more accurate standardized electronic data collection and better coordination with air carriers needing assistance with data submissions.
- Accurate scheduled releases of comprehensive on-line monthly, quarterly, and annual data on the operations and performance of the U.S. airline industry.
- Improved insight into air carrier timeliness and accuracy of reporting.
- Improved Program performance in receiving, validating, and processing air carrier data submissions.
- Develop detailed financial data on baggage, reservations cancellation, and other ancillary fees.

Key Outcomes Expected:

- System enhancements will provide DOT officials, other decision-makers, and stakeholders with more timely and accurate data for policy and regulatory actions.
- Data form the basis for a greater understanding of the airline industry, which can shape decisions on safety, economic competitiveness, and improved operations.
- Electronic reporting will reduce reporting burden on airlines.

**What Is This Program?**

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Strategic Goal: Economic Competitiveness and Organizational Excellence.

Purpose/Beneficiaries: This program provides essential data necessary for consumer protection and enforcement activities and aviation policy decision making.

**Partners:** Stakeholders include:

Decision-makers: The Office of Airline Information (OAI) provides Congress and other policy-makers with robust, timely, and accurate data upon which to base decisions. Is the DOT Secretary not a decision maker?

DOT Users:

- a) The Office of the General Counsel – Enforcement and Proceedings uses Program data to monitor airline compliance with consumer protection regulations and collaborates on data dissemination through the Air Travel Consumer Report and other vehicles.
  - b) The Office of Aviation and International Affairs - Office of Aviation Analysis uses Program data to monitor and evaluate air carrier performance, economic fitness, and competitiveness and the Essential Air Service (EAS) program.
  - c) The FAA uses Program data to administer safety and airport improvement programs. The air carrier industry provides the data to BTS as required by regulation.
- Air travel consumer groups, media outlets, and other stakeholders use BTS data to monitor and report on airline performance.

- State and local governments and regional airport authorities use BTS airline data to make strategic investment decisions.
- Airlines, consulting firms, and other entities use BTS airline data to help better align air transportation services with customer needs.

**Description:** The program collects and disseminates airline data related to on-time flights and other consumer-related issues, domestic and International passenger and freight traffic, passenger ticket information, airline financial, fuel cost, and consumption, and employment information. The Bureau of Transportation Statistics (BTS) collects data from 130 U.S. airlines and foreign carrier operations to and from the United States. Annually, BTS collects more than 8,000 data reports from U.S. and foreign carriers. This data is reported by the air carriers as required by regulation.

**Prior Year Accomplishments:**

- Completed enhancements to further automate the procedures for collecting air carrier financial data submissions.
- Worked with providers of the 298C Financials data to review, correct and enhance the business rules, and implemented improved online tool for identifying data quality problems and tracking data corrections to improve timeliness and quality of data products.
- Implemented processes and procedures to support the new Part 244 Tarmac Delays.
- Completed the implementation of an e-filing system that further automates the procedure for all carrier data submissions to improve quality and reduce reporting burden.
- Posted monthly, quarterly, and annual airline financial, employment, fuel cost, and fuel consumption data to the BTS website for stakeholders to gauge the strength of the airline industry and individual airlines.
- Compiled and checked all monthly air traffic reports on passenger enplanements, flights, freight and mail that indicate how the airline system is operating.
- Furnished monthly airline performance data that measured flight delays and cancellations, bumping, and mishandled baggage data to reports to the Assistant General Counsel for Aviation Enforcement and Proceedings.
- Released/posted quarterly ticket data used to track airline fares and itineraries.
- Implemented e-submit system that will allow users of restricted data to submit their request by via an automated upload tool instead of by email.

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

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The program is the sole source of the airline operations data required by Federal statute and regulation. This data provides essential information for DOT policy making departments, for

Congress, the airline industry, and the traveling public. Without this funding:

- DOT agencies and Congress will not have the data necessary to provide oversight and make informed policy decisions regarding the airline industry, including operational safety, and its impact on the economy and traveling public.
- The airline industry will lose the ability to schedule and set ticket prices based on objective, industry-wide airline data; with significant potential industry cost impacts since no private sector entity has the authority to collect industry-wide airline data.
- The public will lose access to consumer information possibly used to make informed travel decisions (such as airline on-time performance).

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

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**Effectiveness Measures:** The collection and reporting of airline on-time performance data, including tarmac delay data, are key components of the Secretary's successful efforts to ensure that consumers have the information necessary to make informed decisions about their travel and to provide airlines with incentives to reduce the inconvenience and added expense to passengers resulting from flight delays. Tarmac delays of over 3 hours have dropped significantly since DOT began assessing fines based on OAI data. BTS aviation on-time statistics are widely reported in mass media such as USA Today and the Parade magazine supplement to Sunday newspapers.

GAO relied on BTS airline statistics for their studies of airplane delays and of ancillary revenues. (See GAO-10-542, National Airspace System: Setting On-Time Performance Targets at Congested Airports Could Help Focus FAA Actions; and GAO-10-785, Commercial Aviation: Consumers Could Benefit from Better Information about Airline-Imposed Fees and Refunds of Government-Imposed Taxes and Fees).

**Research:** Federal statute and regulations require this data collection program to inform decisions. BTS conducts internal quality assurance and reviews of data processes for improved program efficiency.

**Efficient:** Federal statute and regulations require this data collection program. A key measure of efficiency for the air transportation statistics program is the timeliness with which BTS releases the air carrier data (passenger, flights, and freight) to the public, typically within 30 days. On-time data are released within 15 days of carrier submission. These times are within regulatory requirements and accommodate data processing needs of the respondents and quality assurance and correction steps by BTS.

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

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Since FY 2007, the program has been funded by the FAA through a reimbursable agreement at the \$4 million level. Additional data elements and carrier coverage have been accommodated within existing resources by improving data processing efficiency. Opportunities for additional efficiencies are limited. If reporting requirements continue to increase in the future, resources will eventually need to be increased as well.



**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND**

**SAFE TRANSPORT OF OIL**

**What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b><u>FUNDING LEVELS</u></b>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$0	\$0	\$40,000	\$40,000
<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$40,000</b>	<b>\$40,000</b>

**STAFFING**

Direct Positions	0	0	0	0
Direct FTEs	0	0	0	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

We are requesting \$40 million in FY 2015 for The Safe Transportation of Energy Products Fund to accomplish the mission outlined on the pages that follow.

## **Detailed Justification for the Safe Transportation of Energy Products**

### **Safe Transport of Oil**

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

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##### **Overview:**

Transportation of hazardous materials on our nation's rails and roadways is increasing as a result of rapid growth in the extraction of domestic crude oil, which must be shipped from oil fields to refineries. Ensuring the safe shipment of these hazardous materials is the responsibility of the Pipelines and Hazardous Materials Safety Administration (PHMSA), the Federal Railroad Administration (FRA), and the Federal Motor Carrier Safety Administration (FMCSA). These Operating Administrations inspect trains and shipping containers; enforce regulations; classify materials; administer grants to support state inspection efforts and emergency preparedness; and direct research to minimize the risks associated with transportation.

To enhance these efforts and respond to emerging safety concerns, the Administration is requesting funds to create the Safe Transportation of Oil Fund. Support for this Fund will enable the Department to facilitate the safe transportation of domestic energy products, particularly crude oil. The fund would support investigation, enforcement, and research and development initiatives within PHMSA, FRA, and FMCSA. The Administrators for each Operating Administration, together with the Assistant Secretary for Research, and representatives from the offices of the Assistant Secretary for Policy, General Counsel, and the Chief Financial Officer, would jointly serve as a decision-making Board. The Board would be responsible for the effective administration of the fund. Constituent modes would make proposals to the Board to secure funding for activities that enhance safety or to respond to current incidents. The Board could choose to prioritize multimodal efforts as appropriate.

This governing structure will help to ensure that Department of Transportation takes a multi-modal and collaborative approach to directing resources to the initiatives that will provide the greatest benefit to helping ensure crude oil is shipped safely across the country.

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

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Shipment of energy products across the country are increasing, particularly as domestic production of these products increases. The quantity of domestic petroleum crude oil being shipped across the country has drastically increased in recent years. The growth has been largely spurred by developments in North Dakota, where the Bakken formation in the Williston Basin has become a major source for oil production in the United States. From 2007-2014 production of oil in the Bakken region has grown from 170,000 barrels per day to over 1 million barrels per day<sup>1</sup>. The Bakken region now accounts for a little over 10% of total U.S. oil production and is

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<sup>1</sup> U.S. Energy Information Administration, February 2014: <http://www.eia.gov/petroleum/drilling/pdf/bakken.pdf>

expected to be the fourth largest producing region (along with the Gulf of Mexico, Eagle Ford, and Permian basins).

Several recent incidents have underscored the need for a swift and multimodal approach to ensuring these cargoes are transported safely. Most recently, on December 30, 2013, an eastbound petroleum crude oil unit train collided with a westbound derailed grain train near Casselton, North Dakota. The collision resulted in the derailment of 21 cars loaded with petroleum crude, 18 of which ruptured. An estimated 400,000 gallons of crude was released, ignited, and resulted in an explosion. Approximately 1,400 people were evacuated from the area. Damages from the derailment have been estimated at \$ 8 million.<sup>2</sup>

On November 8, 2013, a 90-car petroleum crude oil train traveling from North Dakota to Walnut Hill, Florida, derailed in a rural area near Aliceville, Alabama. More than 20 cars derailed and the petroleum crude oil of at least eleven cars ignited resulting in an explosion and fire. Although there were no reported injuries, an undetermined amount of petroleum crude oil escaped from derailed cars fouling wetlands near the derailment site, and the costs associated with the accident are estimated at \$3.9 million.<sup>3</sup>

On July 6, 2013, a catastrophic railroad accident involving a U.S. railroad company occurred in Lac-Mégantic, Quebec, Canada when an unattended freight train transporting crude oil rolled down a descending grade and subsequently derailed. The derailment resulted in multiple explosions and subsequent fires, which caused the confirmed death of forty-two people and presumed death of five more, extensive damage to the town center, costs over \$1 billion, and the evacuation of approximately 2,000 people from the surrounding area.<sup>4</sup>

In FY 2015, the Fund would be used to focus on prevention of and response to incidents involving the transportation of crude oil, particularly from the Bakken region. Rather than dividing additional funding resources between each of the affected Operating Administrations, these resources would be concentrated in one Fund and be available to support enhanced inspection levels, investigative efforts, research and data analysis, and testing in the highest risk areas. Funds could be used to support collaborative efforts with other federal entities, as appropriate.

This Fund would be available to initiatives within the FRA, PHMSA, and FMCSA. The Administrators for each Operating Administration, together with the Assistant Secretary for Research, – and designated representatives from the offices of the Chief Financial Officer, the Assistant Secretary for Policy, and the General Counsel, and would jointly serve as a decision-making Board and would be responsible for the effective administration of the Fund. The Board will consider proposals to secure funding for activities that enhance safety or to respond to

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<sup>2</sup> The National Transportation Safety Board (NTSB) is currently investigating this incident. Information regarding this incident can be found at the NTSB website at:

[http://www.nts.gov/doclib/reports/2014/Casselton\\_ND\\_Preliminary.pdf](http://www.nts.gov/doclib/reports/2014/Casselton_ND_Preliminary.pdf).

<sup>3</sup> U.S. Department of Transportation Emergency Order: <http://www.dot.gov/briefing-room/dot-issues-emergency-order-requiring-strict-standards-transport-crude-oil-rail>

<sup>4</sup> U.S. Department of Transportation Emergency Order: <http://www.dot.gov/briefing-room/dot-issues-emergency-order-requiring-strict-standards-transport-crude-oil-rail>

current incidents and work with the various Operating Administrations to provide resources for implementation. The Board could choose to prioritize multimodal efforts as appropriate.

Eligible expenditures of the Safe Transportation of Energy Products Fund would include:

- **Data Driven Safety Interventions** – to include the collection and analysis of transportation data on incident, injury, and fatality risks for bulk shipment of flammable liquids especially crude oil by road and rail. Data would also be collected on crude oil hazards and composition to better define risks, as well as transport and accident mitigation safety, related to the bulk transportation of crude oil. This data will be used to define the scope of the problem and to inform efforts/target funding toward most effective safety interventions.
- **Additional Safety Personnel** – to potentially support additional safety inspection and enforcement personnel, which could be in the form of state/local inspectors, contractors or term employees to the relevant mode, to conduct additional inspections, investigations and testing for issues such as tank car performance, commodity classification, and root cause analysis of train derailments.
- **Training and Outreach** – to improve oil spill emergency response and community preparedness.
- **Robust Regulatory Development** – to focus on the analysis, development, and implementation of data driven and supported regulatory actions that would clarify regulations or safety standards for the industry. DOT may also work on developing, in partnership with industry, a combination of performance metrics and operating standards that will result in enhanced safety practices, more effective rail operations, and improved tank car survivability.
- **Economic Analysis** – to identify and evaluate costs associated with system-wide risks of bulk shipments by rail.

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

The Department of Transportation has significant experience helping to ensure that Hazardous Materials are safely shipped across the country. The Department has seen the number of train accidents involving hazardous materials decrease by 16 percent although the volume of crude oil has quadrupled in less than a decade.<sup>5, 6</sup>

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

<sup>5</sup> Data from 2003-2012 compiled by FRA Office of Safety Analysis.

<sup>6</sup> Figures in table are quarterly totals. Source: AAR

To address safety concerns emerging from the nation's growing domestic energy products, the Fund will provide resources related to inspection, enforcement, classification, and research activities focused on the safe transportation of the nation's growing domestic energy products industry for affected Operating Administrations. It would be available to support enhanced inspection levels, investigative efforts, research and data analysis, and testing in the highest risk areas. The need for this initiative is especially important given that the U.S. is now the global leader in crude oil production capacity growth and this trend is expected to continue.

**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND**

**SAFE TRANSPORT OF OIL**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$0</b>	<b>0</b>
<b>FY 2014 Enacted</b>	<b>\$0</b>	<b>0</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
<b>FY 2015 Baseline Estimate</b>	<b>\$0</b>	<b>0</b>
<u>FY 2015 Program Changes (+/-):</u>	<u>\$40,000</u>	<u>0</u>
<b>Total, FY 2015 Request</b>	<b><u>\$40,000</u></b>	<b><u>0</u></b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

## SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND

## SAFE TRANSPORT OF OIL

## PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-1772			
<b>Obligations by program activity:</b>			
0.01 Safe Transportation of Energy Resources	0	0	40,000
0.91 Direct program activities, subtotal	0	0	40,000
8.01 Reimbursable program	0	0	0
9.00 Total new obligations	0	0	40,000
<b>Budgetary Resources:</b>			
10.00 Unobligated balance brought forward, Oct 1	0	0	0
10.50 Unobligated balance (total)	0	0	0
<b>Budget Authority: appropriations, discretionary</b>			
11.00 Appropriation	0	0	40,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	0	0	40,000
<b>Spending authority from offsetting collections, discretionary:</b>			
17.50 Total Spending authority	0	0	0
19.00 Budget Authority (Total)	0	0	40,000
19.30 Total Budgetary Resources Available	0	0	40,000
<b>Memorandum (non-add) entries:</b>			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
<b>Change in obligated balance:</b>			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
30.10 Obligations incurred, unexpired accounts	0	0	40,000
30.11 Obligations incurred, expired accounts	0	0	0
30.20 Obligated balance, Outlays (gross)	0	0	-24,000
30.50 Unpaid obligations, end of year	0	0	16,000
<b>Uncollected payments:</b>			
30.90 Uncollected pymts, Fed sources, end of year	0	0	0
<b>Memorandum (non-add) entries:</b>			
31.00 Obligated balance, start of year	0	0	0
32.00 Obligated balance, end of year	0	0	0
<b>Budget Authority and outlays, net:</b>			
40.00 Budget authority, gross	0	0	40,000
<b>Outlays, gross:</b>			
40.10 Outlays from new discretionary authority	0	0	24,000
40.11 Outlays from discretionary balances	0	0	0
40.20 Outlays, gross (Total)	0	0	24,000
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
40.40 Total offsetting collection (cash)	0	0	0
Additional offsets against gross budget authority only:			
40.60 Additional offsets against budget authority only (total)	0	0	0
41.80 Budget authority, net (disc. and mand.)	0	0	40,000
41.90 Outlays, net (disc. and mand.)	0	0	24,000

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

SAFE TRANSPORTATION OF ENERGY PRODUCTS FUND

SAFE TRANSPORT OF OIL

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-1772	ACTUAL	ENACTED	REQUEST
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	0	0	0
25.1 Other services	0	0	20,000
25.2 Other services	0	0	20,000
31.0 Equipment	0	0	0
99.9 Total obligations	\$0	\$0	\$40,000

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-1772	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears: Full-time equivalent employment	0	0	0



**OFFICE OF THE SECRETARY OF TRANSPORTATION**  
**ESSENTIAL AIR SERVICE (EAS) PROGRAM**  
**Essential Air Service/ Payments to Air Carriers**

**What Is The Request and What Will We Get For the Funds?**

(\$000)

ITEM	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
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**ESSENTIAL AIR SERVICE (Overflight Fees) - Mandatory Budget Authority**

**FUNDING LEVELS**

Personnel Compensation and Benefits	\$2,032	\$2,047	\$2,068	\$21
Travel	\$3	\$1	\$1	\$0
Other Costs	\$95,662	\$118,591	\$103,931	-\$14,661
<b>TOTAL</b>	<b>\$97,698</b>	<b>\$120,640</b>	<b>\$106,000</b>	<b>-\$14,640</b>

**STAFFING**

Direct Positions	14	14	14	0
Direct FTEs	12	13	13	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

**PAYMENTS TO AIR CARRIERS (Trust Fund) - Discretionary Budget Authority**

**FUNDING LEVELS**

Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$0	\$0	\$0	\$0
Essential Air Service	\$135,520	\$149,000	\$155,000	\$6,000
<b>TOTAL</b>	<b>\$135,520</b>	<b>\$149,000</b>	<b>\$155,000</b>	<b>\$6,000</b>

**STAFFING**

Direct Positions	0	0	0	0
Direct FTEs	0	0	0	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Essential Air Service program is requesting \$261 million and 13 FTEs in FY 2015, a discretionary appropriation of \$155 million and a mandatory appropriation of \$106 million.

## Detailed Justification for the Essential Air Service (EAS) Program

### What Is This Program/Activity?

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The EAS program supports the Department's **Quality of Life in Communities** Strategic Goal. The EAS program was established as a safety net for the smaller and more isolated communities across the country that had scheduled air service at the time the Airline Deregulation Act (ADA) was passed in 1978. Under the Act, these communities were assured that, for ten years, they would continue to receive scheduled service to a hub airport -- by federally subsidized flights if necessary. (The program was later extended for ten years, and ultimately made permanent.)

In the FY 2012 DOT Appropriations Act, (PL 112–55), Congress first capped the program in the lower 48 states. Congress subsequently affirmed that provision in the FAA Modernization and Reform Act (P.L.112-95). As a result, DOT expects to maintain regularly scheduled air service at about 160 communities across the country, including about 43 in Alaska.

### Why Is This Particular Program Necessary?

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Without the EAS program, about 160 communities across the country (including about 43 in Alaska, many of which are islands without any access to the outside world other than air service) would lose all regularly scheduled air service. Below is a historical list of the annual EAS budget and the number of communities subsidized:

Year	# of Communities	Budget in Millions	Average Subsidy per Community in Millions
1996	97	22.6	.23
1997	95	25.9	.27
1998	101	50.0	.50
1999	100	50.0	.50
2000	106	50.0	.47
2001	115	50.0	.43
2002	123	113.0	.92
2003	126	101.8	.81
2004	140	101.7	.73
2005	146	101.6	.70
2006	152	109.4	.72
2007	147	109.4	.74
2008	146	109.4	.75
2009	153	138.4	.90
2010	159	200.0	1.26
2011	155	199.7	1.29
2012	163	215.5 <sup>1</sup>	1.32
2013	160	255.0 <sup>2</sup>	1.59

<sup>1</sup> Includes \$22.5 million unobligated balance of Payments to Air Carriers funding carried forward into FY 2012.

<sup>2</sup> Includes unobligated balance of Payments to Air Carriers funding carried forward into FY 2013, prior year recoveries and transfers from other OST programs.

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

In a July 2009 report, the General Accountability Office stated, “For many communities, the EAS program provides a valuable connection to the national transportation network. Many EAS routes carry 10,000 or more passengers per year. However, low passenger volume and high subsidies remain the norm for many EAS communities. Changes in the air service industry, including growth of air travel alternatives provided by low-cost carriers, have changed the environment in which the EAS program operates. However, some legislative EAS program requirements, and the growing cost to operate aircraft for EAS services, contribute to the program’s inability to maintain service to EAS communities. Further, rural population shifts since deregulation, and continuing passenger leakage away from small airports with EAS service combine to limit passenger ridership on EAS flights. These factors contribute to the continuing financial strain on the EAS program which brings its long-term viability into question.”

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

The requested FY 2015 program level of \$261 million is required to maintain continuous, regularly scheduled air service to about 160 small communities across the nation, including about 43 in Alaska

Recently enacted reforms are beginning to result in cost savings. In addition to capping the program in the lower 48 States and eliminating the 15-seat requirement, Congress has established a \$1,000 subsidy-per-passenger cap (regardless of how isolated a community may be). Under the \$1,000 subsidy cap, DOT has terminated EAS funding for Alamogordo, NM, and for Ely, NV, which will result in almost \$3 million in savings per year. In addition, DOT has tentatively eliminated EAS at Lewistown and Miles City, MT, at a savings of another \$3 million a year.

Congress also terminated eligibility for communities that enplane fewer than 10 passengers per day if they are within 175 miles of a Large or Medium Hub airport. An estimated 7-9 communities could lose eligibility at an annual savings of about \$10 million or more.

**OFFICE OF THE SECRETARY OF TRANSPORTATION****ESSENTIAL AIR SERVICE****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$97,698</b>	<b>12</b>
<b>FY 2014 Enacted</b>	<b>\$120,640</b>	<b>13</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$15	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$6	
FERS and FEHB Increases	\$0	
Inflation	\$1	
<b>FY 2015 Baseline Estimate</b>	<b>\$120,667</b>	<b>13</b>
<u>FY 2015 Program Changes (+/-):</u>	-\$14,667	<b>0</b>
Adjusts the funding level to the estimated Overflight Fee collections.		
<b>Total, FY 2015 Request</b>	<b>\$106,000</b>	<b>13</b>

**OFFICE OF THE SECRETARY OF TRANSPORTATION**

**PAYMENTS TO AIR CARRIERS**

**Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
<b>FY 2013 Actual</b>	<b>\$135,520</b>	<b>0</b>
<b>FY 2014 Enacted</b>	<b>\$149,000</b>	<b>0</b>
<u>Adjustments to Base</u>		
Annualization of January 2014 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2014	\$0	0
January 2015 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
<b>FY 2015 Baseline Estimate</b>	<b>\$149,000</b>	<b>0</b>
<u>FY 2015 Program Changes (+/-):</u>	\$6,000	<b>0</b>
Increase is needed in order to maintain regularly scheduled air service to eligible communities		
<b>Total, FY 2015 Request</b>	<b>\$155,000</b>	<b>0</b>

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
69-5423-0-2-402			
<b>Obligations by program activity:</b>			
0001 Essential Air Service and Rural Airport	95,193	95,000	102,000
0900 Total new obligations	95,193	95,000	102,000
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000 Unobligated balance brought forward, Oct 1	235	2,800	28,440
1010 Unobligated balance transferred to other accounts [69-5422]	-4,393	0	0
1021 Recoveries of prior year unpaid obligations	4,450	0	0
1050 Unobligated balance (total)	292	2,800	28,440
<b>Budget Authority:</b>			
<b>Appropriations, mandatory:</b>			
1221 Transferred from other accounts [69-5422]	102,948	130,000	106,000
1232 Appropriations temporarily reduced	-5,250	-9,360	0
1260 Appropriations, mandatory (total)	97,698	120,640	106,000
<b>Mandatory spending authority from offsetting collections:</b>			
1800 Offsetting collections	4	0	0
1900 Budget authority (total)	97,701	120,640	106,000
1930 Total budgetary resources available	97,993	123,440	134,440
<b>Memorandum (non-add) entries:</b>			
1941 Unexpired unobligated balance, end of year	2,800	28,440	32,440
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	8,058	16,969	14,200
3010 Obligations incurred, unexpired accounts	95,193	95,000	102,000
3020 Outlays (gross)	-81,832	-97,769	-115,600
3040 Recoveries of prior year unpaid obligations, unexpired	-4,450	0	0
3050 Unpaid obligations, end of year (gross)	16,969	14,200	600
3100 Obligated balance, start of year (net)	8,058	16,969	14,200
3200 Obligated balance, end of year (net)	16,969	14,200	600
<b>Budget authority and outlays, net:</b>			
Mandatory:			
4090 Budget authority, gross	97,701	120,640	106,000
<b>Outlays, gross:</b>			
4100 Outlays from new mandatory authority	79,113	78,000	63,600
4101 Outlays from mandatory balances	2,719	19,769	52,000
4110 Outlays, net (total)	81,832	97,769	115,600
<b>Offsets against gross budget authority and outlays:</b>			
Offsetting collections (collected) from:			
4123 Non-Federal sources	-4	0	0
4090 Budget authority, gross (mandatory)	97,701	120,640	106,000
4170 Outlays, gross (total)	81,832	97,769	115,600
4180 Budget authority, net (total)	97,698	120,640	106,000
4190 Outlays, net (total)	81,828	97,769	115,600

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,308	1,558	1,574
11.5 Other personnel compensation	9	21	21
11.9 Total personnel compensation	1,317	1,579	1,595
12.1 Civilian personnel benefits	314	468	473
21.0 Travel and transportation of persons	4	1	1
23.0 Communication and utilities	0	0	0
25.0 Other services	262	299	305
26.0 Supplies and materials	6	3	3
31.0 Equipment	205	0	0
41.0 Grants, subsidies, and contributions	93,085	92,649	99,623
0.0 Transfers	0	0	0
99.0 Subtotal, direct obligations	95,193	95,000	102,000
99.0 Reimbursable obligations	0	0	0
99.9 Total new obligations	95,193	95,000	102,000

PERSONNEL SUMMARY

Identification Code	FY 2013	FY 2014	FY 2015
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears: Full-time equivalent employment	12	13	13

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

PAYMENT TO AIR CARRIERS  
(AIRPORT AND AIRWAY TRUST FUND)

PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-8304-0-7-402	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
0001	159,594	147,433	155,000
0900	159,594	147,433	155,000
<b>Budgetary Resources:</b>			
<b>Unobligated balance:</b>			
1000	10,361	13,433	15,000
1021	20,587	0	0
1050	30,948	13,433	15,000
<b>Budget Authority:</b>			
<b>Appropriations, discretionary:</b>			
1101	143,000	149,000	155,000
1132	-7,480	0	0
1160	135,520	149,000	155,000
<b>Discretionary spending authority from offsetting collections:</b>			
1700	6,559	0	0
1900	142,079	149,000	155,000
1930	173,027	162,433	170,000
<b>Memorandum (non-add) entries:</b>			
1941	13,433	15,000	15,000
<b>Change in obligated balance:</b>			
Obligated balance, start of year (net):			
3000	46,489	24,498	44,600
3010	159,594	147,433	155,000
3020	-160,998	-127,331	-152,600
3040	-20,587	0	0
3050	24,498	44,600	47,000
3100	46,489	24,498	44,600
3200	24,498	44,600	47,000
<b>Budget authority and outlays, net:</b>			
Discretionary:			
4000	142,079	149,000	155,000
<b>Outlays, gross:</b>			
4010	136,140	89,400	93,000
4011	24,858	37,931	59,600
4020	160,998	127,331	152,600
<b>Offsetting collections (cash) from:</b>			
4030	-6,559	0	0
4180	135,520	149,000	155,000
4190	154,439	127,331	152,600



Section 3 - FY 2015 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

PAYMENT TO AIR CARRIERS  
(AIRPORT AND AIRWAY TRUST FUND)

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
69-8304-0-7-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>159,594</u>	<u>147,433</u>	<u>155,000</u>
99.9 Total new obligations	159,594	147,433	155,000

## Detailed Justification for the Working Capital Fund

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

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#### TOTAL WORKING CAPITAL FUND

#### FY 2015 BUDGET ESTIMATE

(In thousands of dollars)

<u>Program</u>	FY 2013	FY 2014	FY 2015	Difference from
	<u>Actual</u>	<u>Enacted</u>	<u>Request</u>	<u>FY 2014 Enacted</u>
WCF DOT Activities	171,656	178,000	187,717	9,717
WCF Non-DOT Activities	319,120	340,482	341,102	620
<b>Total</b>	<b>490,776</b>	<b>518,482</b>	<b>528,819</b>	<b>10,337</b>

#### Staffing

Reimbursable Positions	256	259	259	0
Reimbursable FTE	224	248	252	4

The Offices of the Assistant Secretary for Administration and Chief Information Officer administer funds for the Working Capital Fund and receive appropriations for Salaries and Expenses. The Office of the Assistant Secretary for Administration also administers reimbursable funds.

The Office of the Chief Information Officer (OCIO) is currently reviewing our Federal to contractor staffing mix and anticipates an increase in Federal Information Technology staff may be in the best interest of the government in the future. The OCIO has used federal employees and contractors in a variety of roles to achieve its mission to effectively and efficiently provide Information Technology to DOT employees nationwide. Use of contractors in some cases has increased the WCF's operating expenses. Also, some functions performed by contractors, while not inherently governmental, could be considered to be closely associated with inherently governmental functions.

The Working Capital Fund (WCF) is a fee-for-service operation that normally receives no direct appropriation; its costs are paid by its customers. For FY 2015, the WCF estimates \$528.8 million in obligations, 259 positions, and 252 FTEs in this request.

### What Is This Program/Activity?

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#### Overview:

The WCF supports the **Organizational Excellence** Strategic Goal by providing high quality, timely administrative services to the DOT customers which enable the Operating Administrations to focus on core transportation infrastructure goals.

The WCF is authorized under 49 U.S.C 327 to provide the common administrative services the Secretary of Transportation decides are desirable for the efficiency and economy of the Department.

The WCF, through the Office of the Assistant Secretary for Administration (OASA) and the Office of the Chief Information Officer (OCIO), provides a wide range of technical and administrative services including personnel operations, facilities management, parking

management, transit benefit programs, printing and graphics, mail operation, library and dockets management operations, building security, IT security and infrastructure, telecommunications, and procurement and acquisitions services. The Fund's services are delivered to customers through an organizational structure of individual business lines providing related services or products.

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a fully self-sustaining organization and must achieve full cost recovery which includes an equitable distribution of overhead and indirect costs. During the budget formulation stage, the WCF provides cost estimates to the WCF customers based on historical data and projected demand and service levels. During the year of execution, customers are billed for actual use of common services.

The WCF continues to balance mission priorities with customer needs and available resources while building upon a sound administrative infrastructure that consolidates services for common Department-wide functions throughout the Operating Administrations. WCF services are financed through customer reimbursements based on actual customer usage. Customers are provided with estimates based on historical usage and detailed discussions occur to determine new and changing requirements.

The WCF facilitates efficiencies by:

- placing policy offices and service providers together in the same organization;
- making the best use of employee expertise, increasing communication, and reducing costs to the taxpayers;
- identifying and eliminating redundancies and reducing organizational layers;
- providing best value to the government through compliance with OMB and Congressional directives to consolidate and deliver services more efficiently; and
- consolidating Operating Administrations' infrastructures into a single Departmental infrastructure to improve service delivery, increase security, and reduce costs.

The WCF currently maintains an operating reserve capped at 4% of the previous year's revenue to protect the fund from exceeding the amounts authorized and to add an acceptable margin for both flexibility and responsiveness.

The two secretarial offices providing WCF services are:

The **Office of the Assistant Secretary for Administration** (OASA) prioritizes and deploys resources to provide the financial management for the WCF and Departmental services in human resources and systems, security, acquisition and federal acquisitions reporting systems, information services, transportation and facilities, and space management. In addition, the OASA manages the transit benefit program for over 100 agencies nationwide.

The **Office of the Chief Information Officer** (OCIO) delivers information technology services to customers through the operation of an IT infrastructure that includes e-mail services, file and print service, enterprise hosting services, consolidated headquarters network and enterprise help desk support. Operating administrations contract with the OCIO for services and reimburse the WCF for the cost of those services.

## **FY 2014 Anticipated Accomplishments:**

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The Office of the Assistant Secretary for Administration is committed to developing and supporting the mission of the Department through fair, equitable and collaborative approaches, which allows the WCF to continue to provide superior administrative services in the Human Resources, Facilities and Print Management, and Physical Security arenas.

The WCF continues to enhance utilization of performance based metrics and expand management control plans. Documentation and testing is performed for the internal controls over financial reporting as required by the Sarbanes-Oxley Act and the Federal Managers Financial Integrity Act.

The WCF will upgrade the Physical Access Control System (PACS) at South East Federal Center (SEFC) and continue the five-year replacement of the security cameras that begin in FY 2013. PACS is a mission critical system for the protection of personnel, information and facilities. The software and hardware upgrade is required to maintain system operability and to support Card Authentication Key (CAK) certificate full-path validation for the turnstile readers and multi-factor authentication for controlled spaces in accordance with HSDP-12, ICAM and M-11-11 Directives. The security camera upgrade is for the life cycle replacement of existing cameras at Headquarters and FAA FOB-10A. These items are mission-critical and are used to ensure the security of DOT employees, information and facilities.

Efforts will continue for the Departmental Procurement Platform (DP2) integration and modernization. This collaborative effort, led by the Office of the Senior Procurement Executive (OSPE) in coordination with the Department's Chief Financial Officer (CFO) and Chief Information Officer (CIO), including full participation and support from each Operating Administration (OA), will provide an integrated procurement management infrastructure (procedures, systems, and reporting capabilities) to improve mission support of the wide range of DOT acquisitions.

DOT is consolidating its eight (8) disparate PRISM procurement systems onto a common platform and integrating with the Department's financial system, Delphi, to improve mission support of the wide range and complexity of DOT acquisitions; implement real time financial integration with fund checking, commitment accounting, and recording of obligations; provide relevant and reliable information enabling responsiveness to OMB's transparency and efficiency initiatives; minimize the need for manual data entry and reconciliation; and reduce the cost of software maintenance, application support, and system hosting in accordance with OMB's Federal Information Technology Management Plan and Shared Services Strategy. The target DP2 environment is operational and is currently managed by the Enterprise Services Center in Oklahoma City (ESC/OKC).

Anticipated accomplishments during FY2014 will be:

- Implementation support for up to two (2) Operating Administrations
- Solution Demonstration Lab (SDL)
- Configuration and testing of the consolidated PRISM environment
- Development and testing of conversion code and components and 2 full mock data conversions for each OA
- System Integration Testing (SIT) and User Acceptance Testing (UAT) support
- Implementation support including cut-over support and stabilization

- Development of tailorable Operating Administration Operating Procedures
- Change management activities, training, and end-user documentation

The Security Operations program will modify the Investigation Tracking System (ITS) to address a variety of federally-mandated requirements to OPM processing, including changes to their e-QIP system that will significantly impact information currently captured in ITS. These changes are a part of e-Government, ICAM, OMB-11-11, and Joint Reform mandates and will allow for significant improvement in OMB-mandated hiring and investigative timelines. Modifications to ITS will also allow for more efficient electronic communication with all DOT HR offices and DOT Contracting Officer Representatives requesting the on-boarding of contractors.

The Office of the Chief Information Officer's (CIO) will continue to encourage field offices to migrate their desktop support to the Common Operating Environment. The consolidation into the Common Operating Environment will:

- Meet the Office of Management and Budget's mandate to reduce the number of Trusted Internet Connections.
- Achieve efficiencies of scale through centralized procurement and support.
- Eliminate a fragmented network and mitigate security vulnerabilities and risk while ensuring compliance with Federal Information Security Management Act requirements.

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

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Through the consolidation of services, the WCF is positioned to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF reduces costs by consolidating administrative management structures. Without this structure, each operating administration would have to negotiate with a service provider, losing economies of scale, leading to inefficiencies and inconsistency in services. Additionally, some programs like Unemployment Compensation are required by other statutes to provide a single Departmental point of payment to the servicing agency.

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

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The FY 2015 budget request aligns mission priorities with customer needs and available resources while building upon a sound administrative infrastructure that consolidates services for common Department-wide functions throughout the Operating Administrations.

Overall, the FY 2015 WCF request represents a \$10.3 million net increase over FY 2014 estimates. Specific changes from the FY 2014 request are discussed below:

NON-DOT obligations have a net increase of \$.620 million. This change is due to a \$2.28 million increase in the Transit Benefit Program as a result of changes in user demand, and a decrease of \$1.05 million in NON-DOT Substance Abuse Awareness & Testing business line as a result of a billing methodology change. In FY 2015, customers will be billed based on Testing

Designated Positions (TDP) and the level of service required, such as policy guidance, medical review, and testing requirements. As a result, while the program obligations have not increased, the DOT versus NON-DOT obligation requirement has changed. In addition, obligations in the Voice, Cable and Wireless business line were reduced by \$.610 million due to the USCG migration to their own equipment. The USCG is no longer a customer of the WCF in this business line.

DOT obligations increased by \$9.7 million overall, with significant increases and decreases in several areas.

The Billing methodology change for the Substance Abuse Awareness & Testing business line resulted in an increase of \$1.067 million for DOT obligations.

Building Security increased by \$2.646 million due to the most recent DOL Wage Grade determination and the provisions within that determination. Although the rates negotiated with the union were lower than the Wage Determination, the contractor is obligated to compensate in accordance with the Wage Determination.

Customer driven demand changes were included in Human Resource Systems (increased by (.789 million), Copier, Printing, and Multimedia (decreased by \$1.215 million), DOT Transit Benefits (increased by \$5.524 million), and Voice, Cable, and Wireless (increased by \$1.575 million).

The DP2 program obligations decreased by \$.330 million as a result of favorable pricing negotiated with our servicing agency.

Human Resource Services decreased by \$.685 million due to changes in the Career Development Program requirements (\$.467 million), reductions in HR contract requirements (\$.042 million), and a reduction in services ordered for the Health Clinic (\$.176 million) based on actual usage statistics.

Rent and Space Management decreased by \$.766 million to reflect revised rent estimates and the transfer of the warehouse rent estimate to the Warehouse business line. Warehouse estimates increased by \$.596 million as a result of the transfer.

Other small increases and decreases resulting in a net increase of \$.515 have been incorporated in various programs and are reflected in the revenue estimates to the WCF customers.

In FY 2015 the WCF is separating Audio Visual services currently provided under the Facilities Services & Utilities business line into a fee based menu of Audio Visual services that will be available for use in the Conference Center, Atrium, and the Multi Media Center. The new services will remain in the Facilities Services & Utilities business line, but will be billed separately to our customers and will provide greater transparency and accountability into the costs of services provided.

Beginning in FY 2015, some equipment and services originally purchased with the OCIO's Cyber Security Appropriation may be transferred into the WCF and used to support WCF programs. In the case where a service and/or tool replace an existing solution, the ongoing costs would be transferred into the WCF. Transfers are expected to be an offset, as the WCF would no

longer support legacy tools. Specific areas that are being considered for transfer into the WCF are:

- Fixing OCIO/ITSS Cyber security weaknesses and/or gaps – Examples include Trusted Internet Connection (TIC) controls and multifactor authentication for remote access. These purchases are an expansion to what is in the WCF, as they are an enhancement to current equipment. Asset purchases in the WCF are based on existing equipment, so enhancements are not supported. The next generation of these purchases is expected to transfer to the WCF.
- Replacing and/or enhancing services for which the WCF Reserve funds do not cover the costs (scope) or are insufficient (magnitude) – Examples include Virtual Desktop Infrastructure (VDI), EMS365 network circuits and communications, and communications consolidation in the field. These purchases are expected to transfer to the WCF once the system is operationalized and existing duplicate systems are decommissioned. The systems would run in parallel until legacy systems are decommissioned.

In FY 14, DOT will purchase a new IP based Closed Circuit Television (CCTV) Video Management System (VMS) that will allow DOT to view in real time and record all activity in, around, and throughout the DOT Headquarters. The CCTV VMS will be purchased utilizing new headquarters building funding and will be transferred into the WCF in FY 15 at which time depreciation reserves will begin to be collected to recover the future replacement costs.

Without the DOT WCF, each operating administration would have to assume responsibility for the common services provided in the WCF. Not providing these activities through the WCF would NOT eliminate the need for them. Instead, it would lead to inherent inefficiencies as each administration would strive to procure services individually. In programs like Copier, Printing & Multi-media, economies of scale would be lost as each mode would be forced to negotiate with a service provider for individual printing services.

### **FY 2015 Program Initiatives:**

To enhance the WCF operations and ensure centralized services are performed at rates which will return in full all expenses of operations, including depreciation of equipment and an amount necessary to maintain a reasonable operating reserve, the WCF is requesting a total of two General Provisions.

(1) Authority to include the operation of the NON-DOT Transit Benefit program under Title 49 U.S.C 327. (This General Provision was included in the FY 2012 DOT Appropriations Act.)

(2) Language specifying all WCF funding decisions requiring the transfer of funds from the OAs to the WCF must be approved by a majority of the voting members of the WCF Steering Committee and the Secretary. This language is proposed as an alternative to language in previous DOT Appropriations Acts requiring each modal administrator to approve all transfers of funds to the WCF, which has restricted the Secretary's ability to encourage efficiencies and economies of scale by allowing one OA regardless of size, to block a program from being included in the WCF. (This General Provision was included in the FY 2012 DOT Appropriations Act.)

**FY2015 REQUEST**  
**WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2015 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	4,930	0	4,930
Building Security	15,764	0	15,764
Commercial Services Management	65	0	65
Consolidated Federal Funds	0	0	0
Copier, Printing & Multimedia	7,167	15	7,182
Disability Resource Center	2,245	280	2,525
Dockets Management and Operations	1,816	301	2,117
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,924	349	11,273
Federal Acquisitions Reporting Systems	500	0	500
Federal Laboratory Consortium	26	0	26
COOP Facility	884	0	884
Financial Mgmt, Accting & Admin	7,191	0	7,191
Flexible Spending Account	363	0	363
Human Resource Services	6,008	50	6,058
Human Resource Systems	19,451	0	19,451
Library & Information Services	1,235	0	1,235
Mail Services & Postage	3,597	0	3,597
Publications Distribution	0	0	0
Rent & Space Management	8,534	0	8,534
Security Operations	5,920	0	5,920
Substance Abuse Awareness & Testing	2,969	3,333	6,302
Transit Benefits & Parking	11,427	336,775	348,202
Unemployment Compensation	2,009	0	2,009
Warehouse	1,306	0	1,306
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>119,025</u></b>	<b><u>341,102</u></b>	<b><u>460,127</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,550	0	6,550
Desktop Services	18,091	0	18,091
Information Assurance & Privacy	14,890	0	14,890
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	14,260	0	14,260
Voice, Cable & Wireless	13,276	0	13,276
<b>Chief Information Office Subtotal:</b>	<b><u>68,692</u></b>	<b><u>0</u></b>	<b><u>68,692</u></b>
<b>Grand Total:</b>	<b><u>187,717</u></b>	<b><u>341,102</u></b>	<b><u>528,819</u></b>



**FY 2014 ENACTED**  
**WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2014 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	5,260	0	5,260
Building Security	13,118	0	13,118
Commercial Services Management	65	0	65
Consolidated Federal Funds	0	0	0
Copier, Printing & Multimedia	8,382	15	8,397
Disability Resource Center	2,268	280	2,548
Dockets Management and Operations	2,081	249	2,330
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,691	346	11,037
Federal Acquisitions Reporting Systems	500	0	500
Federal Laboratory Consortium	26	0	26
COOP Facility	905	0	905
Financial Mgmt, Accting & Admin	6,821	0	6,821
Flexible Spending Account	363	0	363
Human Resource Services	6,693	51	6,744
Human Resource Systems	18,662	0	18,662
Library & Information Services	1,192	0	1,192
Mail Services & Postage	3,507	0	3,507
Publications Distribution	0	0	0
Rent & Space Management	9,300	0	9,300
Security Operations	5,821	0	5,821
Substance Abuse Awareness & Testing	1,902	4,443	6,345
Transit Benefits & Parking	5,903	334,489	340,392
Unemployment Compensation	2,000	0	2,000
Warehouse	710	0	710
<b>Assistant Secretary for Admin Subtotal:</b>	<b>110,863</b>	<b>339,872</b>	<b>450,735</b>
<b>Chief Information Officer</b>			
Campus Area Network	6,731	0	6,731
Desktop Services	18,242	0	18,242
Information Assurance & Privacy	14,857	0	14,857
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	13,981	0	13,981
Voice, Cable & Wireless	11,701	610	12,311
<b>Chief Information Office Subtotal:</b>	<b>67,137</b>	<b>610</b>	<b>67,747</b>
<b>Grand Total:</b>	<b>178,000</b>	<b>340,482</b>	<b>518,482</b>

**FY 2013 ACTUAL**  
**WCF DOT & NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2013 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	2,840	0	2,840
Building Security	13,378	0	13,378
Commercial Services Management	65	0	65
Consolidated Federal Funds	0	0	0
Copier, Printing & Multimedia	8,086	30	8,116
Disability Resource Center	2,217	290	2,507
Dockets Management and Operations	1,908	206	2,114
E-Gov Initiative	1,804	0	1,804
Facilities Services & Utilities	10,883	360	11,243
Federal Acquisitions Reporting Systems	247	0	247
Federal Laboratory Consortium	26	0	26
COOP Facility	880	0	880
Financial Mgmt, Accting & Admin	7,407	0	7,407
Flexible Spending Account	65	0	65
Human Resource Services	5,890	44	5,934
Human Resource Systems	18,709	0	18,709
Library & Information Services	1,165	0	1,165
Mail Services & Postage	3,359	0	3,359
Publications Distribution	0	0	0
Rent & Space Management	8,827	0	8,827
Security Operations	4,750	0	4,750
Substance Abuse Awareness & Testing	1,908	4,381	6,289
Transit Benefits & Parking	5,140	313,193	318,333
Unemployment Compensation	2,009	0	2,009
Warehouse	723	0	723
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>102,286</u></b>	<b><u>318,504</u></b>	<b><u>420,790</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,310	0	6,310
Desktop Services	19,545	0	19,545
Information Assurance & Privacy	15,008	0	15,008
OCIO New Initiatives	1,625	0	1,625
Server & Messaging Services	14,921	0	14,921
Voice, Cable & Wireless	11,961	616	12,577
<b>Chief Information Office Subtotal:</b>	<b><u>69,370</u></b>	<b><u>616</u></b>	<b><u>69,986</u></b>
<b>Grand Total:</b>	<b><u>171,656</u></b>	<b><u>319,120</u></b>	<b><u>490,776</u></b>

**ASSISTANT SECRETARY FOR ADMINISTRATION**  
**WORKING CAPITAL FUND**  
**FY 2015 BUDGET ESTIMATE**  
(In thousands of dollars)

<u>Program</u>	FY 2013	FY 2014	FY 2015	Difference from
	Actual	Enacted	Request	FY 2014 Enacted
DOT Activities	102,286	110,863	119,025	8,162
Non-DOT Activities	318,504	339,872	341,102	1,230
<b>Total</b>	<b>420,790</b>	<b>450,735</b>	<b>460,127</b>	<b>9,392</b>

Staffing

Reimbursable Positions	224	227	219	(8)
Reimbursable FTE	199	219	219	0

During Phase I of the OCIO's staff transition, the WCF is realigning eight (8) vacant positions from the Assistant Secretary of Administration's base to the OCIO's base. Funding for the positions will be realigned from OCIO's contract line item.

The Office of the Assistant Secretary for Administration continues to meet the challenge to think more globally, respond to customer needs, anticipate and plan for future impacts of services offered, and strategically define what should be done in order to best prioritize and deploy resources.

**MISSION/VISION/VALUES**

The OASA provides the Department with a competitively priced, comprehensive range of administrative services while continuously improving administrative activities to ensure effective performance through the use of best practices. The Office provides expertise to the Department on human resource management, administrative and internal security management, headquarters building and space management programs, procurement and federal acquisitions reporting while ensuring administrative support services are responsive to limitations and DOT's strategic policy direction.

The OASA staff plans, develops, evaluates, and provides support programs in the areas of: security; personnel; procurement; employee wellness; occupational health and safety; personal property; mail and copy management; motor pool; parking and transit benefits; graphics; printing, photography, warehousing, distribution, and library services; and space management. The staff consists of experienced government FTE and contractors who oversee the technical and business operations.

**FY 2015 BUSINESS LINES BY PROGRAM****Acquisitions & Procurement Operations****\$4.930 million**

The Procurement Operations Program provides the full range of procurement functions from acquisition planning through contract closeout including pre-award contract and grant services, post award contract and grant services, simplified acquisition services, and purchase card administration and oversight. This program acts as the servicing procurement office for the Office of the Secretary (OST), Research Information Technology Administration (RITA), Office of the Inspector General, and Surface Transportation Board and does limited procurement work for other customers as requested. Acquisition Services awards between \$250 million and \$450 million in new obligations annually, processing over 1200 transactions per year. At any one time, Acquisition Services is managing well over \$500 million in existing contracts and grants. Acquisition Services also manages DOT's \$200 million per year purchase card program. Contracts meet all applicable Federal Government procurement regulations.

Departmental Procurement Platform

This program supports PRISM consolidation and integration with Delphi which is the Department's approved Procurement Systems Modernization plan. The Department's Procurement Systems Modernization plan is a modular, phased approach that is compliant with OMB's Federal IT Management plan and DOT OCIO objectives. Consolidation of the multiple Operating Administration's procurement systems will significantly enhance Department-wide spend analysis and contract efficiency initiatives while reducing the cost of software maintenance, application support and system hosting. Integration of the consolidated PRISM system with Delphi, the Department's financial system, will provide systematic real time accounting and funds control validations and status of funds reporting. The consolidated PRISM environment will support over 6,000 departmental personnel processing and managing over \$2B in annual procurement obligations.

**Building Security****\$15.764 million**

The Building Security program provides security for the three DOT Headquarters buildings (Southeast Federal Center, FAA FOB-10A, and FAA FOB-10B), which includes contract guard services on a 24-hour per day basis and other physical security access control functions.

At all DOT Headquarters buildings, contract security guards perform entry control functions for both pedestrians and vehicles. They are the first responders for security and life safety incidents. In addition, they escort special visitors (VIPs) within the building when enhanced security is required. They also escort employees and contractor employees who are being dismissed from employment and/or from the building, in situations where it is necessary to monitor a person's actions until he or she leaves the building. The security guards monitor alarms (fire, intrusion, and duress) and the CCTV system (security cameras) at all of the buildings.

Building security functions include updating security equipment, such as surveillance monitors, cameras, X-ray inspection systems, magnetometers, and access control systems, within the buildings and on the perimeters, as well as procuring contract support to handle the installation and maintenance, ensuring a safe and secure work environment for employees, contractors, and visitors.

The Lenel OnGuard® system installed at the Headquarters facility is an access control and alarm monitoring system. The basic purpose of this system is to control access to secure areas via proximity/PIV card and reader technology, as well as to monitor alarm points for intrusion detection. Other functions include credential production, visitor management, and video and graphical map displays to assist in video surveillance and deployment of assets in response to an incident.

**Commercial Services Management**

**\$.65 million**

This activity provides mandatory training to all operating administrations and services for the Purchase Card Program and its support systems throughout the Department.

**Copier, Printing & Multimedia**

**\$7.182 million**

Visual Information and Printing (VIP):

The VIP Program utilizes the Government Printing Office's (GPO) Simplified Purchase Agreement Program (SPA), and Direct Deal Contracts to procure both printing and graphic services. This allows faster processing time by going directly to the vendors, plus receiving top quality services with volume prices. The SPA program offers Graphics access to five-hundred vendors to obtain competitive pricing, faster processing time and quick turnaround deliveries. Contract Printing is approved to the maximum \$10,000 limit for the SPA program. Direct Deal Term Contracts allows DOT to write contracts that fit DOT's specific needs for print and graphic design procurement. These contracts allow DOT to deal directly with the vendor and submit paperwork to GPO. This provides the staff the ability to calculate the final price before the job is released; jobs are processed faster and with knowledgeable print buyers, thus saving cost. Graphics provides expert consultation including design specifications, multi-media presentations, and CD-ROM layout services, web pages, publications, posters, plaques, and certificates. Contract Printing, through GPO's access to over 15,000 printing contractors nationwide, offers a complete range of printing, binding and finishing services with volume pricing. Contract Printing will evaluate job requests to be produced in the Digital Document Center as a first option before sending jobs out through the GPO procurement methods.

The VIP also provides on-site, state-of-the-art, high-speed digital copying and document automation and conversion. It provides basic office documents and reports, multi-colored digital copying and the conversion of "hard copy" documents to a variety of digital file formats. The center also provides finishing services such as drilling, collating, perfect binding, spiral/comb-binding and saddle stitching.

Multi-Media & Photography Services:

Multi-Media Center (MMC) & Photography Services provides on-demand multi-media services to the Secretary of Transportation, and the DOT operating administrations. These services produce results that meet the communication objectives of the diverse DOT customer base through technical support and execution of press conferences, live and prerecorded press interviews and teleprompter presentations, web casting, on site and on location presentation/meeting video documentation, video teleconferencing support, satellite uplink programming, and satellite downlinks. MMC and Photography are in-house resources that provide digital prints and creation of audiovisual and video programs, which are distributed via tape, CD, DVD and the internet.

The photographers interpret programs and situations and use innovative and improvised techniques and methods to achieve high quality photographs using digital technology, producing prints of a professional, technical, and artistic standard. The photographers photograph the Secretary and other members of the highest offices of the government, and foreign dignitaries.

Multi-functional Printers:

The MFP (Multifunctional Printer Program) provides upgraded equipment which copies, prints, faxes, and scans for all DOT organizations in the Washington Metropolitan area and in OIG regional offices at a competitive cost. Program charges include machine lease costs, all supplies including paper, and on-site maintenance support. Centralizing this service opens the door to many advantages for the WCF customers and the Department. The MFP Program currently has 277 machines in active use.

**Disability Resource Center**

**\$2.525 million**

The DOT Disability Resource Center (DRC) is a centralized resource that provides reasonable accommodation, technical assistance, training and outreach to all modal employees and job applicants under DOT. Program costs are allocated to the modes based on national population of staff with adjustments made to exclude certain position series (i.e., Air Traffic Controller-2152).

The DOT DRC continues to provide valuable services and support to agencies throughout DOT including regional and field offices. The services can be divided into three main categories:

- Accommodations Support – these are the core of what DRC provides;
- Technical Assistance – consultation, explaining the accommodation process, information on products and services;
- Customer Outreach/Selective Placement – including disability awareness, and information and support for hiring, retention and promotion of individuals with disabilities.

DRC also assists agencies in understanding accessibility and Section 508 compliance issues related to training, video and multimedia presentations.

In addition to direct costs, DRC provides the staff time required in supporting the assessment, identification and procurement of the products and/or services and the follow-up conducted to ensure products/services are provided and are fulfilling the customers' needs. This relieves the programs employing people with disabilities not only of the costs for products/services needed, but the indirect costs to manage contracts, locate qualified providers, monitor costs, and consistently manage performance and activities in accordance with various procurement and HR regulations.

**Docket Services**

**\$2.117 million**

The Dockets Operations Program uses image-based technology to provide the public with on-line access to DOT rulemaking and adjudicatory docketed material. Members of the public can electronically submit comments to the DOT Docket. The OA's docket offices are consolidated into Docket Operations, which processes all DOT-generated material and public comments into the docket, provides docketing support to all DOT Counsel Offices, and conducts research assistance. Additionally, the system includes the Data Quality and Peer Review initiatives for the OCIO.

The Department utilizes the Federal Docket Management System (FDMS) managed by EPA. FDMS serves as a central, electronic repository for all Federal rulemaking dockets, which include Federal Register notices, materials such as scientific or economic analyses, and public comments as well as non-rulemaking dockets. It empowers and encourages all segments of the public to participate in the rulemaking process while achieving significant costs savings by eliminating redundant regulatory information technology systems across the Federal Government.

**E-Gov Initiative**

**\$4.693 million**

In response to the E-Government Act of 2002, the Office of Management and Budget and Federal agencies identified 24 E-Gov Initiatives to provide high-quality, common solutions such as citizen tax filing, Federal rulemaking, and electronic training. The E-Gov Initiatives serve citizens, businesses, and Federal and state government employees by delivering high quality services. This business line consolidates 117 separate interagency agreements into 9 agreements.

**Facilities Services & Utilities**

**\$11.273 million**

Transportation & Facility Services manages a diversified and complex, mission-essential, building management program for the DOT Headquarters facility totaling over 1,350,000 square feet of space which houses the Secretary of Transportation and over 5,500 employees. The following program responsibilities are carried out by the office:

Facility Services:

The Facilities Office is the first point of contact for all facilities support. The office receives and tracks all customer requests for service. The office is also responsible for lease management of the facility. This effort entails conducting periodic inspections to ensure compliance with lease terms, maintaining a record of all complaints and their resolutions and written notification to the building owner to take corrective action on items which are included in the lease. The Facilities Office monitors building custodial services ensuring that the building owner provides custodial services in accordance with the terms in the lease agreement. The office conducts daily inspections to ensure that the facilities are clean, healthful and present an attractive environment. The office also coordinates with the Operating Administrations for special cleaning services not included in the lease, coordinates concession activities such as facilities operated by the blind under the Randolph-Sheppard Act, and provides oversight responsibility for the contracted cafeteria. As such, the Facilities Office oversees functional management reviews and performs analytical duties related to food service management. It formulates, develops, and implements nutritional awareness, menu initiatives, and equipment requirements. The office identifies, installs, and maintains signage throughout DOT HQ facilities ensuring office suites, utility rooms and common areas are easily identified. The Facilities Office is also responsible for handling all customer requests for special events, audio visual services and equipment, managing and operating the Central Receiving Office, and the receipt for all deliveries to the DOT Headquarters facility.

Building Maintenance and Utilities:

The Facilities Office manages the DOT Headquarters annual energy budget, and the electrical and mechanical operating system's distribution infrastructure required to light, heat and cool the facilities. The office ensures that maintenance and recurring repairs are completed on electrical transformers and other electrical and mechanical systems. This office is also responsible for implementing the National Energy Conservation Program requirements in the DOT headquarters building. The office ensures all Government-maintained mechanical, electrical and utility systems are operated in accordance with energy conservation guidelines contained in the Federal Property Management Regulation (FPMR) 101-20-107. The office maintains an energy management and conservation plan in accordance with the lease and an established preventive maintenance program for the building operating systems. Such a program requires a complete inventory of the equipment to be maintained, with identification of maintenance to be performed and frequencies. The office also manages and performs a continuous/retro-commissioning program on all its operating equipment, driven by the best practices of the industry, to promote the highest levels of sustainability and energy conservation.

Special Facility Services:

The office manages all internal WCF tenant renovation and alteration projects, including installing or removing walls and configuring/reconfiguring system furniture. This effort entails maintaining a record of all projects and financial reports of completed alteration projects, and updating all as-built drawings showing all changes made to the building as a result of the completed work. The office manages and coordinates all major construction and improvement projects required under the building lease renewals and ensures that all work is completed in accordance with the lease specifications; schedules phases of work with contractors and develops sketches and diagrams to be included as part of contract specifications; and reviews work requests and consults with requesting organizations to ascertain specific requirements, time schedules, special materials, manpower requirements, labor costs, material costs, and other factors.

Contract Labor Support:

The Facilities Office provides labor support to the DOT workforce. Such support is generally requested to assist in event planning, setting up conference rooms, moving equipment and or furniture, hanging/removing photos and portraits and other special requests.

Motor Pool:

The Motor Pool provides transportation/fleet management support to the DOT headquarters through the operation of an executive vehicle service program, U-drive vehicle service, and courier service. The Motor Pool program provides professional, cost effective, dependable motor vehicle service and support to the Operating Administrations (OAs) within the Headquarters Department of Transportation. The program implements Departmental administrative policy for motor vehicle operations; maintains a physical environment which supports the needs of the OAs; and provides innovative fleet solutions ensuring safe, dependable, transportation utilizing cost effect fleet strategies and efficient repair and replacement methods. The office manages the vehicle lease agreement with GSA; prepares the monthly billing report, and ensures vehicle accidents, abuses, and damages are investigated; serves as a liaison to GSA Fleet Management Center (FMC)/Fleet Management Offices (FMO) for vehicle matters; reviews vehicle lease requirements annually; and manages the U-Drive fleet of vehicles.

Funding for the program is on a fee for service basis; with 70% of the budget supported by usage fees and 30% supported by the DOT Operating Administrations.



Conference Center:

The Conference Center in the DOT Headquarters is available to meet the needs of DOT occupants in the Headquarters Building. The facilities are used by DOT organizations for purposes related to DOT mission, programs, and activities.

Personal Property/Records Management:

This program provides personal property, asset (acquisition, use and disposal), and inventory management, shipping and receiving, storage, transporting materiel, property repair and rehabilitation, computer donation to schools, and records management. The office conducts comprehensive reviews and evaluations on departmental programs, systems and procedures ensuring procedures are consistent with governmental laws and regulations, and applicable industry standards and practices. As the Department's representative to external groups such as Central Managing Agencies, General Services Administration, and Government Accountability Office, the office negotiates, and defends DOT on matters related to personal property policies, programs, systems and procedures. The office manages the development, implementation and maintenance of an automated property management system, maintaining a data base of all personal property and equipment (minus IT equipment). The office conducts a 100% physical inventory annually of all accountable property and ensures property records accurately reflect on-hand quantities. Additional services provided include:

- Manage Reports of Survey for property which is destroyed, lost, or damaged.
- Manages the Utilization/Surplus Personal Property and Exchange/Sale Transaction Program.
- Develops, recommends, and implements standardized electronic record retrieval and disposal processes.
- Manages the Department's loan agreements for art work on loan to the Office of the Secretary of Transportation from National Galleries.

Occupational Safety and Health/Emergency Preparedness:

This program is responsible for maintaining a viable safety program for the DOT HQ which includes ensuring alarm monitoring systems are adequately maintained and reporting all incidents resulting in personal injury related to building design to the proper authorities. This program conducts periodic fire, safety and health inspections and air quality inspections. Provide employees with a comprehensive occupational safety and health program which includes evaluating, assessing and monitoring the facility to reduce operational risks to employees, thereby providing a safe and healthful workplace. It also provides DOT Headquarters employees with the basic emergency preparedness procedures to include evacuation of the building and sheltering-in-place drills.

Fitness Center:

The DOT Health and Fitness Program develops and promotes Department-wide employee health and fitness policy and guidelines thereby improving employees' ability to enhance their work performance. The core programs offered by the DOT Fitness Center are well-rounded and are designed to address lifestyle behaviors, nutrition education, stress reduction, and other programs that are appropriate to the prevention of disease and other health conditions. The Center conducts health appraisals, lifestyle and physical risk factor assessments; including better ways to incorporate healthy strategies and approaches for improved intervention in Body Mass Index,

pulse, blood pressure, aerobic strength and flexibility levels; which are vital to optimal health. These strategies provide employees with increased knowledge in handling self-care and thereby may decrease absenteeism and health care costs. Funding for the program is through membership fees, and a small portion supported by the DOT Operating Administrations.

**Financial Assistance Reporting System (FARS)**

**\$.500 million**

With an enterprise perspective, the OSPE Grants Management Program consists of the Financial Assistance Reporting System (FARS), which is a system that records awards of grants and other financial assistance actions (loans, cooperative agreements, and other transactions). The FARS captures all DOT Financial Assistance data from the Operating Administrations (OA) and transmits that data to other government agencies and directed sources for Departmental reporting purposes, as a result of statute or regulation.

This program also includes contracting for Program Management support for E-Grants. In order to implement the required government wide E-Grant initiatives within DOT, it is essential to have a Program Manager oversee data, business process and systems analysis within DOT. The Federal Financial Assistance Management Improvement Act of 1999 (P.L. 106-107) requires all Federal Financial Assistance agencies to work collaboratively in effectively managing E-Grants objectives. The scope of Federal grants streamlining goals are three-fold: 1) to reduce the number of individual federal grant systems; 2) to standardize data requirements, processes, and policies; and 3) to create greater uniformity and interoperability within individual agencies and across government.

**Federal Laboratory Consortium**

**\$.026 million**

The Federal Laboratory Consortium Program provides centralized billing services. This program processes payments to the National Institute of Standards and Technology for the support of the Federal Laboratory Consortium. The Federal Laboratory Consortium provides a linkage between Governmental agencies and industry in order to promote the transfer of Federal technology to improve the domestic economy. This transfer of funds is required by Title 15 U.S.C. Section 3710. The National Institute of Standards and Technology requires a central billing point of contact in each cabinet level office for these costs. Distribution is based on the National Science Foundation's *Federal Obligations for Total Research and Development by Agency and Performer* report for each fiscal year.

**COOP Facility**

**\$.884 million**

This program provides centralized billing services for the Department's Continuity of Operations (COOP) facility utilized by DOT leadership. This activity includes costs associated with leasing the Secretary's (COOP) relocation site, and provides funding for equipment and services necessary for the operation of the facility.

**Financial Management, Accounting & Administration**

**\$7.191 million**

Office of Financial Management:

The Office of Financial Management (OFM) provides financial administration, guidance and support to the OASA and the program offices within the WCF to include the OCIO. It manages budget formulation and execution; provides financial management and accounting services; and

manages the overall financial operations of the WCF. The OFM is an overhead function within the WCF.

The OFM funds all of the accounting service functions, including the preparation and issuance of WCF financial statements and reports. The OFM ensures that a sound system of financial management controls exist in all programs, organizations, and functions and meets the objectives and requirements of the Federal Managers' Financial Integrity Act and OMB Circular A-123, Management's Responsibility for Internal Control. The OFM provides monthly financial reports to program managers; manages customer agreements and performs billings; identifies and resolves overdue balances and charge backs; manages invoice processing to maintain minimal interest penalties; and develops and distributes monthly performance indicator charts.

The OFM provides services to approximately 130 DOT and non-DOT customers and has an established interagency agreement for each customer. The OFM meets annually with all the DOT Operating Administrations to discuss the WCF revenue estimates and ongoing services. The OFM conducts the WCF Steering Committee meetings that provide oversight to the fund and ensures that WCF goods and services are provided to all DOT OAs in the most cost-effective and efficient manner. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels; evaluating the WCF performance in meeting service plans; and evaluation of capital asset purchases in excess of \$50,000.

Office of the Deputy Assistant Secretary for Administration:

The Office of the Deputy Assistant Secretary for Administration is responsible for planning, coordinating and implementing cross-organizational and Departmental objectives, especially those supporting DOT's Strategic Plan. Objectives include communication strategies, program reviews, and ad-hoc strategic project support. The customer base is the entire Office of the Assistant Secretary for Administration organization as well as senior management across the Department.

**Flexible Spending Account**

**\$.363 million**

This program provides centralized billing services for the Flexible Spending Account fees. The Flexible Spending Account (FSA) program resulted from the National Defense Authorization Act for Fiscal Year 2004, Public Law 108-136. The FSA program is administered government-wide, through a contract held by the Office of Personnel Management (OPM). The WCF is the Departmental point of contact for these payments. The costs are distributed to the OAs based on actual usage information provided by OPM.

**Human Resource Services**

**\$6.058 million**

Personnel Operations:

The Personnel Operations Program provides human resource services to the Office of the Secretary (OST) and the Research and Innovative Technology Administration (RITA). This program provides human resource services and training that includes recruitment, skill and competence assessment; payroll support and time-and-attendance administration; workforce and succession planning; employee recognition and performance management; employee relations, benefits; labor management; workers compensation and unemployment compensation assistance; and management of the automated human resources personnel systems. In addition,

the program evaluates human resources management activities; adherence to merit principles and prevention of prohibited personnel practices. Training includes classes and activities to develop human resource skills for managers and employees.

Organizational Planning & Initiatives:

The Organizational Planning & Initiatives program office assures that DOT satisfies statutory and regulatory requirements to conduct workforce analyses, competency assessments, and reporting on the department's leadership development and other learning programs in support of the human capital initiatives. OST partners and modal HR organizations fill OA gaps and leverage services in order to meet the increasing requirements of statute and those related to the human capital initiatives. In addition, the office works with OAs to identify positions and develop recruitment strategies, and ensures OAs are aware of the commitments for hiring individuals for these programs (e.g., training and rotational requirements, developing individual development plans, and monitoring intern performance).

Organizational Planning and Initiatives will be offering the PMC Leading EDGE program for DOT career executives, 360 assessments for DOT supervisors, managers and leaders. This program will also offer Executive Coaching for managers and executives, and leadership training and development activities for identified target groups.

Departmental Programs:

The Departmental Special Programs Office provides centralized coordination of programs that cross all DOT operating administrations, Secretarial offices, and the Surface Transportation Board (STB). Program responsibilities include: Secretary's Annual Awards Program, Combined Federal Campaign, Incentive Awards Program, various OPM Performance Management Awards Programs, Public Service Recognition Week, Blood Donor Program, Volunteer Program, IdeaHub, and the Voting Assistance Program.

IdeaHub is an online community that facilitates innovation and collaboration within the DOT and the OAs. It is designed to bring comprehensive, cultural change to the DOT through the use of a collaborative website. It empowers employees to develop and rate programs and technological processes and improve the work environment. By supporting communication through a transparent and accountable process, IdeaHub is an important component of DOT's Open Government Strategy. IdeaHub will bring DOT into the world of social media, and inspire cultural change in traditional business procedures. IdeaHub depends on the active participation of employees to accomplish its mission of open communication, and dedicated agency improvement.

Executive and Political Resources Program:

The Executive and Political Resources Program coordinates Departmental approvals for SES actions including providing support to the DOT Executive Resources Board; manages Departmental SES allocations; assists OAs in position establishment and classification; advises OAs on the full range of technical and procedural requirements involving performance management, bonuses and awards, staffing, adverse and performance-based actions.

Outcomes from this program include increased accountability of executives, increased diversity and outreach among the SES recruitments and hires, SES Performance Management system certification, maintaining a high level of Qualifications Review Board approvals, Merit Staffing Reviews, and improvement in the time it takes to hire an SES member.

This program also provides advisory services to the Secretary's White House Liaison and Chief of Staff for all Departmental political appointees including case processing for all Departmental political hires; advises OAs on the full range of technical and procedural requirements for all political actions; serves as liaison to OPM for all human resources matters pertaining to the Department's political workforce; serves as liaison to the White House Clerk's Office and the Department of State for matters pertaining to Presidential appointees confirmed by the Senate; prepares comprehensive reports on each political position; and prepares for Presidential/senior leadership transitions.

DOT Work-life Program:

The Work-Life Program provides information, resources and referral support to employees nationwide on a wide range of issues including, but not limited to, life transitions, wellness, telecommuting, time management, effective communication, financial health, parenting, child care, elder care, and long-term care planning. Support is provided over the phone, by e-mail, and via one-on-one work-life coaching consultations under the guidance of a work-life professional.

The Child Care Advisor, a component of the Work-Life Program provides DOT child care centers with training for their boards of directors, directors, teachers, and family resource coordinators. In addition to the training, the Child Care Advisor performs on-site visits, which include observations of classrooms, mentor teaching in classrooms, and accreditation preparation. The Advisor is also available to work one-on-one with child care coordinators and directors on program design, evaluation of RFP's, and assist with needs assessment and interpretation of new accreditation guidelines.

Health Services:

DOT Health Services provides a full health service program with the goal of improving the health of its employees. Health Services will be staffed by Federal Occupational Health (FOH) staff eight hours per day, and will service a Federal population of approximately 3,607.

Health Services offer a full range of services including: individualized health counseling, periodic bed rest, blood pressure monitoring, glucose monitoring, allergens and other medications administered by injection (employee provides allergy medication), and immunizations (Flu, tetanus and Pneumococcal), traveler's health and immunization information.

**HR Systems**

**\$19.451 million**

The Departmental Office of Human Resource Management (HRM/HR Systems M-12) provides program management, oversight and support for all consolidated HR systems, which include the Federal Personnel and Payroll System (FPPS), the Training Management System (TMS), the Enterprise Human Resources Integration (EHRI) Electronic Official Personnel Folder (eOPF) and Analytic Tools, the Workforce Transformation Tracking System / Entry on Duty System (WTTS/EODS), Employee Express (EEX), and the Workers' Compensation Information System (WCIS), as well as for ongoing HR systems modernization.

- FPPS provides HR and payroll support and processing for all of DOT. FPPS facilitates movement toward achieving strategic management of Human Capital by providing reports that enable diversity management plans to sustain a workforce that represents the face of America in all occupations and at all grade levels and by providing support to

workforce planning reporting to identify mission critical competencies and gaps in those competencies.

- TMS provides system support for the delivery of on-line learning, learner registration, learner training completion, the delivery and recording of assessments, and the reporting of TMS data to OPM. DOT is able to identify competency and resource gaps and develop improvement strategies for mission-critical occupations and is able to identify competency and resource gaps and develop improvement strategies for mission-critical occupations. Competency models are being developed and gap analyses conducted for six critical occupations to support career path development and integration of the resulting products into the TMS Competency Management System (CMS).
- eOPF allows secure access to official employee HR records for employees and HR staff. The centralized management of and access to the data provides the technological means for consolidating HR operations and improves the government's ability to share and transfer data about employees moving between agencies.
- EHRI Analytic Tools allow DOT to develop 5-year projections for Departmental mission-critical occupations using the EHRI Forecasting Tool.
- WCIS provides for the efficient and effective use of an automated system to transmit workers compensation claims to the Department of Labor and to allow workers compensation specialists and managers to monitor and manage the workers compensation cases. WCIS funding also funds management of workers compensation cases by the FAA.
- WTTS/EODS provides automated staffing and entry on duty support for all of DOT improving DOT's ability to (1) track projected gains; (2) track transfers and losses of federal staff and (3) allow HR specialists to develop checklists for entrance on duty, as well as providing on-line forms for new employees to complete information required on entrance to duty.
- HR systems modernization aligns DOT with the Office of Personnel Management's Human Resources Line of Business (HRLOB) and will include additional automated solutions to align with the goals and objectives of the HRLOB Modernization Initiative. These systems will be required to adhere to government wide interoperability standards as described in HRLOB Modernization Roadmap. System consolidation efforts may include but are not limited to training, benefits, and recruitment systems. This effort directly supports the U.S. Chief Information Officer's *25 Point Implementation Plan to Reform Federal Information Technology*.

## **Library & Information Services**

**\$1.235 million**

The National Transportation Library is one of the largest transportation libraries in the United States. Its collection of electronic and in-house resources provides answers and to and satisfies needs for over 850 information requests per day. The Library collects materials in all areas of transportation studies, in both print and digital format. In addition to its research assistance work and extensive training programs, NTL provides interlibrary loan, serials routing, circulation, acquisitions and cataloging services. NTL is continuously accelerating the transition in its collection and selection practices from hard-copy to electronic formats. This increase in electronic access to NTL's collections continues to save the Department and its customer's money by centralizing the purchasing and management of multiple research subscription contracts.

**Mail Services & Postage****\$3.597 million**Mail Services Program:

The Mail Services Program provides complete office and mail delivery services to the DOT HQs and its satellite locations. Over 10 million pieces of government mail are handled annually. The services include managing the DOT and FAA Mail Centers and all associated duties to include: sorting and distributing all incoming mail, processing Federal Express and UPS Mail, and delivering all accountable mail through an automated tracking system.

An A-76 review of the operation during the late 1980s and early 1990s found that a contractor workforce would be more cost-effective for the department. The Department chose to stay with the NISH vehicle in support of national disability initiatives. The vendor, Service Source, is flexible and through contract modification can meet emerging requirements quickly due to their size and background in the field.

Postage Program:

This program is responsible for the direct billing of actual postage and shipment fees by each operating administration at all locations throughout the Washington Metropolitan area. These fees are for Standard Ground shipment of large packages and parcels to include large boxes.

**Headquarters Space Management and WCF Rent****\$8.534 million**Headquarters Space Management:

The Space Management Program provides oversight and management of all DOT headquarters workspace and provides various support services, as required, involving the Department's nationwide real property and field space inventory. The program manages three buildings totaling 2,147,400 square feet.

A key goal of this program is to improve space utilization and reduce costs. The specific services include:

- acquisition, assignment, release or disposal of space and other real property; review of major real property acquisitions and disposals;
- space requirements development; space planning and interior design;
- tenant “build out” coordination and oversight;
- on-site real property and space utilization surveys;
- coordination and preparation of Departmental real property reports;
- maintenance of a Department-wide real property inventory and Headquarters space assignment data; and
- acts as DOT's liaison with GSA and other Federal agencies for real property actions and issues.

Rent Program:

The WCF rent obligation in the amount of \$7.8 million, which includes the Federal Protection Services cost, is tracked under this business line and distributed to the other WCF programs.

**Security Operations****\$5.920 million**

Security & Investigations (S&I):

The Security and Investigations Program is an integral and crucial part of DOT's effort to ensure a safe working environment for its federal and contractor employees and visitors; and to protect DOT facilities, equipment, and sensitive and classified information.

Security Personnel coordinate criminal and administrative investigations of individuals and incidents occurring within the DOT headquarters facilities, and assist in resolving security-related problems for DOT regional offices. Personnel review and conduct follow-up investigations on guard incident reports and serve as liaisons with their security counterparts in Federal, state, and local law enforcement agencies, as well as at the DOT headquarters buildings. Security personnel are part of a crisis management team that works with human resources and law enforcement offices, employee assistance programs, and managers to help resolve potential workplace violence situations, and are frequently present during volatile disciplinary actions. Staff also provides security awareness seminars for DOT employees on topics such as theft deterrence to ensure adequate protection of government and personal property.

The S&I program staff includes federal employees who coordinate and oversee the installation, operation, and maintenance of security systems, CCTV cameras, monitors, X-Ray inspection systems, magnetometers, and card access systems located within the three DOT Headquarters buildings. Installation and maintenance are mostly handled by contractors who are funded out of the SEFC Building Security budget. Equipment purchases are mostly funded by the specific building security budget for which there is a need, although some equipment funds are in the S&I program to purchase general inventory for emergencies at all of the DOT Headquarters buildings.

This program also includes servicing lock and key requests and conducting periodic combination safe changes within our DOT headquarters buildings (SEFC, 10A, 10B and 55 M Street – DOT space only). On staff is one locksmith (federal employee) who maintains a proprietary lock and key system for the DOT Headquarters buildings.

Personnel Security Program:

The personnel security program includes the initiation and processing of required background investigations on all DOT federal and contractor employees; the review and adjudication of all completed investigations; and, as necessary, the granting of security clearances for access to classified information. The security staff provides this service for all OAs except FAA, which has delegated authority to run its own personnel security program. Under this program, the security staff is responsible for ensuring that DOT complies with laws, Executive Orders and regulations pertaining to personnel security. The staff also provides DOT liaison with other Federal agencies on behalf of the OAs.

Homeland Security Presidential Directive 12 (HSPD-12) Policy for a Common Identification Standard for Federal Employees and Contractors has increased the personnel security program's workload because of more stringent requirements to integrate personnel security operations with the process of issuing identification cards to federal and contractor employees. This requires adjudicating the results of criminal history checks prior to issuing any ID cards and conducting background investigations on certain personnel to whom DOT did not previously issue ID cards (e.g., contractor employees requiring HSPD-12 cards for logical access).

Industrial Security Program:



The Industrial Security program ensures that National Security clearances for contractors working on classified contracts are obtained by the contractor, through the Department of Defense, before the contractor can access classified information in the performance of their duties on a DOT contract. Personnel Security staff process and maintain this program, while Information Security staff perform overall management including conducting investigations into any problem areas and issuing recommendations as needed. With an increasing number of contractor employees working on-site at DOT facilities, it is especially important to ensure that background investigations have been conducted on these contractors and that they are suitable to work on classified contracts.

Identification Media Program:

With the exception of FAA, the Volpe Center, and a few field OA offices, the security staff issues federal and contractor employee photo identification cards and official credentials to DOT personnel at headquarters and in the field. The identification media automated system assists in identifying persons working within the DOT buildings and is essential for proper management of both identification cards and credentials.

HSPD-12: HSPD-12 requires the Office of Security to establish and follow stringent procedures to ensure a separation of functions in the issuance of Personnel Identification Verification (PIV) ID cards. Specifically, those who register and enroll DOT personnel may not serve as issuers. Contractors perform all duties associated with the registration and enrollment of DOT personnel, and DOT federal employees are responsible for initiating background investigations and issuing PIV cards. FAA is the HSPD-12 service provider for the technical infrastructure required to run the HSPD-12 program. FY2014 marks the beginning of a surge in PIV cards requiring reissuance. Cards expiring will require replacement along with damaged, lost, or stolen cards. All new personnel require a PIV card for physical and logical access.

Passport Program:

The Secretary of State has designated the Office of Security as the Passport Agent for DOT, which provides this office the authority to execute and verify official passports on behalf of the Department of State. The Office of Security maintains a passport unit to support all DOT personnel, in all OAs and Secretarial offices, who require official passports and visas. Obtaining passports and visas in a timely manner is crucial to DOT personnel meeting foreign travel requirements. Because of the various DOT programs that provide assistance to foreign countries, travel requirements often occur with little advance notice and it is important for the Office of Security to respond promptly to the passport and visa requests. Requirements for U.S. citizens to have passports to travel to countries where they did not previously need them, such as Canada and Mexico, have increased the passport processing workload.

Information Security Program:

This program provides technical direction for the protection and safeguarding of classified materials at DOT Headquarters, as well as advice, assistance and training to all DOT OAs on matters pertaining to classified information. The Information Security Specialist develops and delivers initial and annual training to roughly 1,100 clearance holders at DOT (non-FAA) that is required by Executive Order 13526 as a condition of holding a security clearance.

Executive Order 13556 directs executive agencies to develop and manage a program to identify and protect sensitive but unclassified information under a single banner identified as Controlled

Unclassified Information (CUI), which will replace all previous labels such as For Official Use Only (FOUO) or Sensitive But Unclassified (SBU). This brand new program will become operational in FY 2014, with full implementation required in FY 2015. Executive Branch agencies must provide training (both initial and recurring) to all employees and contractors, perform internal inspections, ensure continued monitoring and tracking, perform Department-wide audits, and submit periodic reports to the National Archives and Records Administration. All of these activities are designed to protect a category of information that is not classified but yet is sensitive and warrants special treatment. The Office of Security will coordinate DOT's transition to CUI, as well as all training.

The Information Security Program also conducts non-criminal investigations, and issues findings and recommendations, including possible disciplinary or remedial actions with respect to deficiencies or security violations/infractions. Finally, this program manages a contract for the destruction of classified and sensitive information at the DOT and FAA Headquarters buildings and maintains records for all security containers (safes) used within the Department that are serviced by the locksmith. This includes periodic inspections to ensure that classified information is properly stored in accordance with GSA container standards.

Technical Security Program:

The Office of Security manages several security programs that fall under a general security category called Technical Security. These programs include communications security (COMSEC), control of compromising electronic emissions (TEMPEST), and technical surveillance countermeasures (TSCM), and require the expertise of persons highly trained in complex technical matters. This expertise is provided to the OAs and covers the protection of classified national security information and other sensitive information when discussed or processed during meetings or on information technology systems, or when electronically transmitted.

The Office of Security directly manages the COMSEC program for DOT Headquarters and field facilities (excluding FAA) that process classified information. This responsibility includes management of the DOT COMSEC account, conducting required inventories of controlled cryptographic equipment and material, and issuance of secure communications equipment, including the Sectera vIPer phones, which are in the process of replacing the existing Secure Terminal Equipment (STE) units, and secure wireless and satellite phones.

**Substance Abuse Awareness & Testing**

**\$6.302 million**

The DOT Federal Employee Drug and Alcohol Testing Program, mandated by Executive Order 12564 and the Omnibus Employee Testing Act of 1991, is the second largest program in the Federal Government with over 80,000 federal employees in the testing pool. Services under this program are provided to all DOT operating administrations, the U.S. Merchant Marine Academy and to the following agencies within the Department of Homeland Security (DHS):

Transportation Security Administration (TSA), U.S. Coast Guard (USCG) and the Federal Air Marshals (FAM) program. Services are provided on a nationwide basis and include setting program policy requirements; briefings to unions on policy changes; providing testimony at third party hearings; random selection process; follow-up drug and/or alcohol testing program for employees who have completed rehabilitation; urine collection and laboratory testing services for pre-employment, random, return-to-duty, follow-up, reasonable suspicion, and post-accident; breath alcohol testing services for random, return-to-duty, follow-up, reasonable suspicion, and

post-accident; split specimen testing services; medical review officer services; managing, coordinating and conducting employee awareness programs and mandatory supervisory training; and coordination of the Employee Assistance Program. Drug and alcohol collection and testing services are provided through contract vendors.

### **Transit Benefits & Parking**

**\$348.202 million**

Transportation Services (TRANServe) delivers transit benefit services to DOT operating administrations and Non-DOT agencies and provides parking management services to DOT employees. This program receives funding under three different authorities in performing its various roles in support of DOT and Non-DOT agencies.

- Working Capital Fund (WCF) cost reimbursable agreements under Title 49 U.S.C 327.
- Non-DOT WCF reimbursable agreements under the Economy Act of 1932.
- Employee Parking Deposits for parking spaces to DOT employees under GSA Federal Management Regulation.

#### Transit Benefit Program:

The TRANServe Program office is a Federal Government provider for transit benefits to over 100 Federal agencies with over 208,000 participants worth in excess of \$300 million annually. Historically, TRANServe has provided these fringe benefits in the form of a transit voucher.

From the perspective of providing an efficient, economical means to distribute transit benefits, TRANServe enables agencies to make use of a single established distribution system, with extensive and effective internal controls over the receipt, maintenance, and distribution of the fare media provided to Federal employees under the program. It eliminates the need to establish multiple systems duplicating these functions at agencies and individual offices throughout the country. There is no mandate to make use of TRANServe for transit benefit distribution; rather, each of the agencies now making use of its services decided it was in their interest to use TRANServe for transit benefit distribution.

Participating agencies, TRANServe, and transit benefit recipients all have specific responsibilities to help ensure that the transit benefit program functions effectively and that individuals participating in the program receive only the fare media they are eligible for, and use it appropriately.

#### DOT's Implementation of the Transit Benefit Program

TRANServe operates a highly sophisticated program (the Program) for ordering fare media, maintaining inventory control, and distributing such media to approximately 100 agencies. The Program is supported by a complex and dynamic network of activities, such as statistical forecasting for nationwide distribution, multi-million dollar contract awards, support arrangements for travel and distribution, and an elaborate array of financial analysis for agency billing. Over time, the commercial marketplace supporting the transit benefit delivery system has evolved to a more technologically advanced discipline. For instance, many Transit Authorities are re-engineering their transit media delivery system by eliminating paper and moving to electronic fare media. This has compelled a nationwide transit benefit distribution shift from a paper based system (Vouchers) to an electronic fare media structure.

- TRANServe historically distributed transit benefits in the form of a *transit voucher* for use at approximately 556 transit authorities, reinforcing a costly and inefficient framework for voucher distribution.
- TRANServe is shifting distribution from paper fare media to electronic to support Green Government, tighten internal controls, and meet Transit Authorities changing requirements.
- The goal is to use a single fare media fraud-restricted debit card with extensive internal controls to deliver transit benefits in an effective, fiscally responsible manner.

TRANServe executed a Memorandum of Understanding (MOU) with the Department of Treasury, Financial Management Service (FMS) to provide the ability to partner with a federally approved Bank for nationwide delivery of electronic fare media across the Federal government. The terms of the MOU required that Treasury FMS select a Financial Agent to work with TRANServe in the implementation of a nationwide debit card for the delivery of the qualified transportation benefit. TRANServe has partnered with J.P. Morgan Chase; the Financial Agent selected by FMS, and has established an electronic fare media product in the form of a debit card.

TRANServe has collaborated with the Department of Treasury and Internal Revenue General Counsels' Offices to ensure the Program would be compliant with IRS tax code and the benefit would maintain its tax-free status. The IRS has determined that while the Program doesn't fit in any of the 4 situations currently outlined in their guidance, the IRS believes that it does meet the spirit of the guidance published and IRS may publish additional guidance to support this exception.

The implementation of the electronic fare media began with the roll-out in New York in June 2011 and was 95% completed nationwide in calendar year 2013.

The Parking Management Program:

The Parking Management Program sells, issues, and administers weather-secure parking spaces in the new DOT headquarters building. In addition, the program provides oversight to FAA for the management of their parking fees. The Parking Office collects money from the sale of parking permits for the regular monthly parking, temporary parking, and FAA parking.

**Unemployment Compensation**

**\$2.009 million**

The Department of Labor requires a central billing point in each cabinet agency for the unemployment costs of employees. The Working Capital Fund accepts unemployment compensation charges from the Department of Labor and bills each operating administration for their costs through a centralized billing service. Department of Labor (DOL) bills the Department of Transportation on a quarterly basis for their unemployment charges.

**Warehouse**

**\$1.306 million**

The Warehouse Program provides storage for furniture, equipment, bulk materials such as computers and copy paper, publications and forms, and other items as required for all DOT

organizations in the Washington Metropolitan area. The Warehouse stores over 1,500 skids of furniture and publications monthly. As part of this program, truck services are provided for delivering internal mail, receiving and delivering furniture, equipment, bulk supplies and other items as required between the Warehouse facility in Landover, MD and the DOT Headquarters Buildings in Washington, DC.

Excess personal property is received, reported, and transferred for all DOT organizations in the Washington Metropolitan area. The excess program handles on average 850 pieces of furniture or equipment every month, sending almost half of the computer equipment to schools throughout the country as part of Executive Order 12999.

In addition, customers can search, view and download desired publications from the On-line Publication (OLP) System. Subsequent Distribution serves over 5,000 DOT publications via the Internet and is working to make more information available via OLP and to reduce the amount of publications being stored in the Warehouse.

**OFFICE OF THE CHIEF INFORMATION OFFICER**  
**WORKING CAPITAL FUND**  
**FY 2015 BUDGET ESTIMATE**  
(In thousands of dollars)

<u>Program</u>	FY 2013 <u>Actual</u>	FY 2014 <u>Enacted</u>	FY 2015 <u>Request</u>	Difference from FY 2014 <u>Enacted</u>
DOT Activities	69,370	67,137	68,692	1,555
Non-DOT Activities	616	610	0	(610)
<b>Total</b>	<b>69,986</b>	<b>67,747</b>	<b>68,692</b>	<b>945</b>

Staffing

Reimbursable Positions	32	32	40	8
Reimbursable FTE	25	29	33	4

The Office of the Chief Information Officer (OCIO) is currently reviewing our Federal to contractor staffing mix and anticipates an increase in Federal Information Technology staff may be in the best interest of the government in the future. The OCIO has used federal employees and contractors in a variety of roles to achieve its mission to effectively and efficiently provide Information Technology to DOT employees nationwide. Use of contractors in some cases has increased the WCF's operating expenses. Also, some functions performed by contractors, while not inherently governmental, could be considered to be "closely associated with inherently governmental functions."

During Phase I of the OCIO's staff transition, the WCF is realigning eight (8) vacant positions from the Assistant Secretary of Administration's base to the OCIO's base. Funding for the positions will be realigned from OCIO's contract line item.

**Background**

The Office of the Chief Information Officer (OCIO) has the responsibility for the management and administration of the IT Shared Services portion of the Department's WCF organization, which supports the operation of an infrastructure that includes telecommunications, e-mail/directory services, a fully consolidated DOT headquarters network, help desk and other support.

A small cadre of government employees provides technical direction and oversight of approximately 200 contractors.

IT Shared Services has expanded to the field and the current request will provide oversight and guidance of the \$68.7 million in IT services to the Department's OAs on a cost recovery basis.

**MISSION/VISION/VALUES**

WCF OCIO/IT Shared Services provides the Department with a single source for a competitively priced, comprehensive wide range of IT services while continuously improving the technology and safety of the IT infrastructure for the Department. WCF/OCIO IT Shared Services provides expertise to the Department with state-of-the-market technical expertise, institutional IT knowledge, and historical data that is not readily available from other sources.

WCF/OCIO IT Shared Services staff maintain, operate, design, implement, and oversee communications and core IT infrastructure for the Department. The Federal staff oversees the technical and business operations, with the majority of the day-to-day operations provided by contractors.

## **FY 2015 OCIO BUSINESS LINES BY PROGRAM**

### **Campus Area Network (CAN)**

**\$6.550 million**

The Campus Area Network provides support services for the network infrastructure and Internet connectivity for the DOT headquarters and connectivity between DOT HQ and other DOT buildings in the DC Metro area, including the FAA HQ (FOB-10A).

The FY 2015 request includes continued infrastructure funding to remediate security vulnerabilities, including those identified by the DHS/US-CERT, Cyber Security Management Center (CSMC) and Federal Information Security Management Act (FISMA) audits. The estimate includes support for the Incident Management Center (IMC) and maintenance, support for new security software and appliances, support of the additional bandwidth for Internet connectivity, and the increased level of monitoring as required by DHS and the Trusted Internet Connection.

### **Desktop Services**

**\$18.091 million**

The IT Shared Services desktop, laptop, and engineering PC program provides quality, cost effective seat management, and related support under service level agreements with customers. In FY 2013 IT Shared Services supported more than 8,900 desktop users.

There are plans to further expand consolidation to include additional regional and field users during FY 2014 and FY 2015. The affected operating administrations currently pay for this support directly (i.e. outside of the Working Capital Fund). In FY 2015 the support will be provided by IT Shared Services and funded by the modes through the WCF.

The OCIO ITSS Desktop Services program established a new optional service in FY 2012 for the COE user community – Mobile Device Management (MDM) – which allows users to access email, check their calendars, and keep up with work contacts remotely via a secure connection to the DOT network. MDM technology provides secure access for different kinds of mobile devices, such as iPhones and iPads.

### **Information Assurance & Privacy**

**\$14.890 million**

The Information Assurance and Privacy program is composed of the following five program areas:

#### Information Assurance:

The Information Assurance program is designed to ensure the protection, integrity, availability, and confidentiality of the DOT IT infrastructure across the DOT's hundreds of geographically separated locations. The program's primary function is to manage DOT's compliance with the

Federal Information Security Management Act (FISMA) and other statutory requirements. FISMA support includes managing and reporting on security issues and remediation activity. Information is maintained on the Cyber Security Asset Management System (CSAM).

The Information Assurance program supports continuous operations of the DOT CSMC, which has responsibility to detect, protect against, and report all cyber events across the entire DOT enterprise and coordinate reporting efforts to the US-CERT. The CSMC identifies cyber events, privacy violations and network interruptions. CSMC coordinates with DOT CIO's, ISSO's, the intelligence community, and DHS for incident management, monitoring, cyber threat analysis and responding to modal requests.

The Information Assurance program also supports Security Awareness training to the entire DOT community. The cost of these services will continue to be proportionately allocated to the OAs.

The Information Assurance program also supports the continual Certification and Accreditation process for all of the major systems that are managed by DOT ITSS. The C&A process within ITSS is also the core baseline for most of the modal systems as the consolidated infrastructure is an inherent component for the completion of the C&A processes and annual audits of financial systems.

Enterprise Network Operations Center (ENOC) is responsible for the monitoring, notification, and facility management in support of IT Shared Services. ENOC was established to provide twenty-four hour handling of calls, problem management, staff notification, and system monitoring. Areas monitored 24 X 7 include:

- Network monitoring
- Server monitoring
- Telecom systems monitoring
- Automated problem ticket generation and escalation
- After-hours service desk support.

These services are provided twenty-four hours a day regardless of physical location. ENOC costs are proportionally distributed to IT Shared Services programs.

Network Engineering provides planning, design, and implementation services for the network infrastructure, including:

- IP Address Management
- Network Design
- Network diagnoses and optimization
- Secure Remote Access

The Network Engineering Program is one of the focal points in enabling the consolidation of services under IT Shared Services and establishing a consistent and secure network across DOT.

In FY 2015, IT Shared Services will



- Continue to develop and implement processes and procedures for network monitoring and validation of network availability.
- Refresh and continue to enhance remote access for security and usability.

DOT has invested in and deployed the necessary equipment and software to provide system redundancy at our COOP/DR site as well as network access control, enhancing network security so that only those users with patched operating systems, current anti-virus signatures, and authorized access certificates have access to the DOT network. Approximately 10,000 users in the DOT have the ability to utilize Secure Remote Access.

IT Admin & Special Projects supports the overall management of the IT Shared Services programs and certain special projects. The program costs are recovered through an equitable distribution to each IT Shared Services program.

Financial Management Group provides business management and full back-end accounting support to the IT Shared Services programs and special projects. The program costs are recovered through an equitable distribution to each IT Shared Services program.

Logistics & Support Services include direct management and oversight of IT Shared Services programs, Continuity of Operations (COOP) and Disaster Recovery (DR) activities for IT Shared Services programs, Inventory Management/Help Desk software implementation and maintenance, Stockroom, and Administrative services. The program costs are recovered through an equitable distribution to each IT Shared Services program.

### **Enterprise Licenses**

**\$1.625 million**

Prior to FY 2012, the Microsoft ELA license and software assurance payments were funded and managed separately by each mode. This created significant operational and coordination responsibilities for each mode without giving them the efficiencies of a consolidated, centralized enterprise wide purchase. Additionally, the previous Microsoft ELA did not include the option to upgrade to the next version of the software. The current plan is to have ITSS pay the cost of the individual OA payments until a new agreement is reached late in FY 2013. The new agreement amounts will be determined at that time and are not included in the current estimates. The current estimates only include the individual OA quoted annual amounts provided to ITSS by the vendor.

### **Server and Messaging Services**

**\$14.260 million**

#### Server Operations:

The Server Operations program consists of the following functional areas: Departmental Internet, Server Administration, Net Backup, Storage and Backup, and Server Hosting.

The Departmental Internet program provides server hosting and limited web design support for the DOT web page, as well as the GovDocs subscription service for e-mail management, and enhanced Google search capabilities.

Off-site server hosting services for HQ servers and other devices for Operating Administrations (with the exception of FAA) provides server hosting for most OA mission critical systems in a

primary data center external to the Headquarters building. Direct costs to support the remote hosting location, including limited growth capacity and some security and hardware costs, have been spread proportionally to customers based on each OAs power requirements (watts) for direct usage, while the infrastructure costs are spread to the OAs based on the adjusted total population of OA devices. Ongoing efforts are underway to study the current data center locations throughout the Department and strategies for consolidation which include virtualization, consolidation, and cloud computing.

Directory & Messaging Services:

The Directory and Messaging program supports DOT directory services, message routing, enterprise messaging backup, custom directory services, email security and spam filtering and virus protection mail server hosting, mailbox administration, and wireless email support. Further consolidation of e-mail systems beyond DOT HQ to include field and regional users will continue into FY 2015.

ITSS currently manages more than 10,000 accounts, providing mailbox administration, mail storage and backup. Consolidation has increased IT Shared Service's messaging infrastructure and management responsibilities which were previously managed by the OAs.

**Voice, Cable & Wireless**

**\$13.276 million**

The IT Shared Services Voice, Cable, and Wireless (VCW) component offers customers a wide range of telecommunications services such as desktop telephone service with voice mail, wireless telephony, circuit analysis, cabling, billing analysis, inventory management, telecom coordination/customer service, teleconferencing and customer special projects.

Supporting both DOT's Washington, D.C. campus and remote communications, VCW services are an essential component of the DOT's IT support mission, and currently includes more than 17,000 telephone lines and 12,000 voice mailboxes, supported by the Southeast Federal Center's telecommunications switch.

A large amount of costs in this program area, more than \$5 million per year, support local and long-distance communications and utilities costs for telephone, T-1 lines and circuits between regional offices and other remote sites, internet communications, and redundant systems to ensure continuity of operations.

IT Shared Services has contained rising telecommunications costs over the past seven years, absorbing labor and maintenance increases by aggressively negotiating for better rates with its local and long distance service providers.

Explanation of Funding Changes  
for the  
Working Capital Fund (DOT Activities only)

**FY 2014 Base** 178,000

**FY 2015 Program Changes (+/-)**

All programs include annualization of FTE and inflationary contract costs. Other increases are explained below:

<u>Description</u>	<u>Explanation</u>	<u>Difference</u>
<i>Assistant Secretary for Administration</i>		
Acquisition & Procurement Operations	Updated estimates from service provider for DP2 program	(330)
Building Security	Increased labor rates due to new DOL wage grade determination	2,646
Copier, Printing, & Multimedia	Reduction in customer demand	(1,215)
Human Resource Services	Reduced Career Development Program (\$467K), reduction in Health Services based on actual usage of Health Clinic (\$176K), and reductions in contract requirements (\$42K)	(685)
Human Resource Systems	Customer demand changes in TMS and pricing from the service provider	789
Rent & Space Management	Warehouse rent moved to warehouse business line	(766)
Substance Abuse Awareness & Testing	Revised billing methodology resulted in a movement between DOT and NON-DOT obligations	1,068
Transit Benefits & Parking	Potential increase in usage for a large DOT Customer	5,524
Warehouse	Expanded customer base and direct obligations for warehouse rent	596
Other	Pre-negotiated contract increases and adjustments in customer usage	535
<b>Assistant Secretary for Admin Subtotal:</b>		<b>8,162</b>
<i>Chief Information Officer</i>		
Voice, Cable & Wireless	Increase in customer demand (OST Cyber Security)	1,575
Other	Pre-negotiated contract increases and adjustments in customer usage	(20)
<b>Chief Information Office Subtotal:</b>		<b>1,555</b>
<b>Total FY 2015 Request</b>		<b>187,717</b>

## Section 3 - FY 2015 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WORKING CAPITAL FUND  
PROGRAM AND FINANCING  
(In thousands of dollars)

Identification Code	FY 2013	FY 2014	FY 2015
021-04-4520-0	ACTUAL	ENACTED	REQUEST
<b>Obligations by program activity:</b>			
08.01 DOT service center activity	159,202	178,000	187,717
08.02 Non-DOT service center activity	236,798	340,482	341,102
09.00 Total new obligations	396,000	518,482	528,819
<b>Budgetary resources available for obligations:</b>			
10.00 Unobligated balance available, start of year	92,016	91,390	91,390
10.21 Recoveries of prior year unpaid obligations	36,837	0	0
10.29 Unobligated balance withdrawn	0	0	0
10.50 Unobligated balance (total)	128,853	91,390	91,390
<b>New budget authority (gross), detail:</b>			
Spending from offsetting collections:			
Discretionary			
17.00 Collected	382,791	518,482	528,817
17.01 Change in uncollected customer payments from Federal sources (unexpired)	-24,253	0	0
17.50 Spending authority from offsetting collections (total)	358,538	518,482	528,817
19.30 Total budgetary resources available	487,391	609,872	620,207
19.41 Unexpired unobligated balance, end of year	91,390	91,390	91,390
<b>Change in obligated balances:</b>			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	93,033	53,127	8,351
3010 Obligations incurred, unexpired accounts	396,000	518,482	528,819
3020 Outlays (gross)	-399,069	-563,257	-528,714
3040 Recoveries of prior year unpaid obligations, unexpired	-36,837	0	0
3050 Unpaid obligations, end of year (gross)	53,127	8,351	8,455
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	-76,497	-52,243	-52,243
3070 Change in uncollected pymts, Fed sources, unexpired	24,253	0	0
3090 Uncollected pymts, Fed sources, end of year	-52,243	-52,243	-52,243
3100 Obligated balance, start of year (net)	16,536	883	-43,892
3200 Obligated balance, end of year (net)	883	-43,892	-43,789
<b>Outlays (gross), detail:</b>			
40.00 Budget authority (gross)	358,538	518,482	528,817
40.10 Outlays from new discretionary authority	347,144	513,297	523,529
40.11 Outlays from discretionary balances	51,926	49,960	5,185
40.20 Total outlays (gross)	399,069	563,257	528,714
<b>Offsets:</b>			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
40.30 Federal sources	-380,478	-516,482	-528,817
40.33 Non-federal sources	-2,313	-2,000	-2,000
40.40 Offsets against gross budget authority and outlays (total)	-382,791	-518,482	-530,817
Against gross budget authority only:			
40.50 Change in uncollected customer payments from Federal sources (unexpired)	24,253	0	0
40.60 Additional offsets against budget authority only (total)	0	0	0
40.80 Outlays, net (discretionary)	16,279	44,775	-103
41.90 Outlays, net (total)	16,279	44,775	-103

DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

OBJECT CLASSIFICATION  
(In thousands of dollars)

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
021-04-4520-0			
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$20,184	\$23,683	\$25,132
11.2 Accrued leave	62	225	123
11.3 Other than full-time permanent	1,036	1,006	824
11.5 Other personnel compensation	75	386	407
11.8 Special personal services payments	0	0	0
11.9 Total personnel compensation	21,357	25,301	26,486
12.1 Civilian personnel benefits	5,943	7,063	7,478
13.0 Benefits for former personnel	2,009	2,000	2,009
21.0 Travel and transportation of persons	277	750	458
22.0 Transportation of things	82	578	604
23.1 Rental payments to GSA	7,230	9,926	7,689
23.3 Communications, utilities, and miscellaneous charges	12,394	14,523	14,536
24.0 Printing and reproduction	0	0	0
25.1 Advisory and assistance services	555	0	0
25.2 Other services	56,814	58,328	59,195
25.3 Other purchases of goods and services from Government accts.	45,609	46,338	52,453
25.4 Operation and maintenance of facilities	0	0	0
25.7 Operation and maintenance of equipment	9,805	14,040	12,179
26.0 Supplies and materials	230,128	330,135	335,876
31.0 Equipment	3,793	9,488	9,846
42.0 Insurance claims and indemnities	5	11	11
99.9 Total obligations	\$396,000	\$518,482	\$528,819

PERSONNEL SUMMARY

Identification Code	FY 2013 ACTUAL	FY 2014 ENACTED	FY 2015 REQUEST
021-04-4520-0			
2001 Reimbursable civilian full-time equivalent employment	221.7	248	252

**OFFICE OF THE UNDER SECRETARY OF TRANSPORTATION FOR POLICY  
FY 2015 RD&T PROGRAM SUMMARY**

**RD&T PROGRAM: Transportation Planning, Research and Development**

**AMOUNT REQUESTED FOR FY 2015: \$8 million**

**Projects**

Objective:

Conduct research on transportation standards, technical aspects of industry proposals, and transportation industry indicators. Research and review of cost benefit analyst of policy.

Description:

The TPR&D program within the Office of the Under Secretary for Policy focuses on identifying improvements in transportation through new and innovative approaches to assisting the travelling public, mitigating adverse environmental effects, and lessening impacts to industry. The program fosters improvements in safety, technology and efficiency through research and studies. Once standards are developed and approved through the research conducted, the information is used to create policy and regulation for the transportation system.

Outputs:

The TPR&D program within the Office of the Under Secretary for Policy provides economic research reports to develop and refine departmental policy positions. RD&T studies also update the state-of-the-art on economic modeling of, and data for, the aviation industry, in support of the mission of the Office of Aviation and International Affairs.

RD&T Partners:

Partners include other operating administrations, especially the Office of the Assistant Secretary for Research and Technology, FAA, FHWA, FRA and FTA; the network of University Transportation Centers (UTCs), and other private and not-for-profit organizations that engage in transportation research, including the Transportation Research Board. The research promotes the economic competitiveness of the U.S. airline industry, benefiting the U.S. travelling public, and U.S. air carriers seeking access to foreign markets. The travelling public and emerging industry will benefit from research into High Speed Rail. The public also benefits from research to improve the safety of the transportation system and reducing adverse environmental impacts.

**Economic Competitiveness Strategic Goal:** (\$1,254,064) in contract/project development research)

Aviation Data Modernization: \$200,000

The Aviation Data Modernization Program will continue to provide the appropriate data required to administer statutorily mandated aviation programs. An updated methodology will enable analytical alignment with proposed reporting requirements under the Aviation Data Modernization program and the initiation of a la carte pricing by many carriers.

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

The Department relies upon these data for its mandated responsibilities, including the review of antitrust immunity applications, airline mergers, Essential Air Services carrier selection orders, airline congestion claims, Small Community Air Service Development Program grant awards, and slot transfers.

The current system dates largely from the 1970s and needs to be updated to better address contemporary needs. With the assistance of a contractor, the Department designed a methodology that is less burdensome to the air carriers. The contractor designed an innovative solution that enables the government to work with the private sector to adapt the air transportation system to the needs of commerce. The Department is working with airlines and their associations to refine and update the methodology for data collection by making the best use of their existing ticket sales and flight data records. We request \$200,000 in FY 2015 for development and testing. The timeline for this project is dependent on cooperation with several airlines to test the cost and benefits of a number of technological approaches to updating the antiquated collection methodology. It is expected that an agreed upon approach can be tested in FY 2015 and implemented following a rulemaking by FY 2016.

Profit Essentials Software Support: \$89,600

Profit Essentials combines airline schedule data, airline demand data, and a series of historical statistical relationships on passenger choice to model airline services. The Office of Aviation Analysis relies extensively on the Profit Essentials Airline Network Analysis Model to evaluate airline schedule issues and to analyze airline codeshare and alliance agreements. The model has a broad range of applications for providing critical assessments of the evolving competitiveness of domestic and international aviation markets, rational economic bases for carrier selection decisions, and forecasts on the effects on competition of proposed mergers and alliances. Use of this model is critical to analysis required to support the Department's strategic policy to enhance competition and growth in domestic and international aviation. It is used for support in all divisions of The Office of Aviation Analysis (Essential Air Service and Small Community Air Service Development Programs, Competition and Policy Analysis, and the Air Carrier Fitness Division).

International Regulatory Cooperation and Research: \$75,000

As U.S. airlines seek to engage in commercial and alliance agreements around the world to realize the economic benefits of open skies agreements with our foreign aviation partners, they encounter various “doing business issues.” Many of these issues involve the application of incongruent competition policies by the countries involved. This ongoing project supports the cooperation between DOT and foreign competition authorities to foster compatible regulatory approaches in the way various national authorities review, approve, and monitor alliance agreements between U.S. and foreign airlines. These efforts often involve discussions on the appropriate competition standards that should be applied to the review of airline alliance agreements, joint research projects on the impact of these agreements on competition, and joint monitoring of approved transactions. These efforts secure the ability of U.S. airlines to generate hundreds of millions of dollars in revenue as a result of approved alliance agreements.

The Department’s request for FY 2015 would support the continuation of ongoing cooperative programs and the inauguration of several new programs. The Department plans to launch a joint study with the European Commission’s Directorate General for Competition on the economic impact of alliances in transatlantic markets using the most recent data available. In addition to continuing our work with the Canadian, Australian, and Japanese competition authorities, we seek to expand our cooperation with China as it moves toward greater liberalization and to inaugurate a new program with India and one other “emerging” market that is critical to the global competitiveness of the U.S. airline industry.

As U.S. airlines seek to expand their services international markets, the number of such “doing business” issues is only increasing and the need for compatible approaches to the economic oversight of the industry is becoming more important. The Department intends to continue this program for the foreseeable future.

Airline Alliance and Joint Venture Competition Research: \$75,000

In 2008, DOT and the European Commission (DG Competition) launched a joint research project aimed at deepening their understanding of how alliances have affected competition in transatlantic markets and the potential impact of the new U.S.-EU Air Transport Open Skies Agreement that began in March 2008. This agreement, which, for the first time, allows EU and U.S. airlines to serve any route between Europe and the United States, calls for developing a common understanding of trends in the airline industry in order to promote compatible regulatory approaches in competition policy. FY 2015 funds would be used to support an econometric analysis conducted by academic experts under contract. This project is ongoing as Annex II of the U.S.-European Union Air Services Agreement commits DOT and the EU’s Directorate General for Competition to ongoing cooperation in monitoring competition in transatlantic markets which are now characterized by inter-alliance competition.



Air Carrier Fitness Case Management System: \$50,000

The Air Carrier Fitness Division (Fitness Division) analyzes and evaluates all applications for new economic authority to determine if applicants are “fit, willing, and able” to conduct commercial airline operations and are U.S. citizens as defined by statute. This involves analysis of the applicants’ managerial capabilities and experience, the financial resources available for the proposed operations, its service plan, and the ability of the management personnel to comply with U.S. laws, as well as the ownership of the applicants. The Fitness Division also monitors on a regular basis the operations and financial conditions of all licensed U.S. airlines to ensure that they continue to be fit to hold their operating authority and to serve the U.S. public. These funds support the continued contract maintenance, implementation, and build-out of the electronic case management tracking system. This project is for an ongoing, permanent case management system. Funding in subsequent years will be limited to maintenance and calibration of the database software.

Women in Transportation: \$50,000

The project will (1) collect data to measure progress related to gender policy; (2) create a compendium of best practices so each Economy can learn and improve from each other (3) institutionalize regular dialogue in APEC on Women in Transportation in the Transportation Working Group of APEC; (4) hold a workshop to develop ways to mentor and educate young women (from the public and private sectors). While APEC will serve as the initial region of focus, if successful, it is anticipated this project will be replicated over various regions at a minimal incremental cost to the Department. This initiative is a Department wide effort to increase participation of women in the transportation field not only in the APEC region but within the United States as well. This initiative is a five year effort and we are currently executing the second year activities. The funding will cover contract support services.

National Export Initiative: \$199,464

The Secretary of Transportation is a member of the Export Promotion Cabinet, which ensures the performance of the President’s National Export Initiative (NEI). Several key country markets have been identified for priority interagency focus under the NEI. China, Brazil and India are identified as top-tier country markets which can yield increased U.S. exports, especially in the infrastructure and transportation sector. Nine other priority markets are also highlighted for their U.S. export potential. We will continue to engage in high-level forums with China, Brazil, and India, which are facing similar transportation-related challenges and have significant expertise in developing and maintaining large and complex transportation systems. These provide formal mechanisms for sharing the best practices and working toward compatible regulatory frameworks, to our mutual economic benefit.

The \$122,214 is being used to continue funding research studies on transportation sector characteristics and markets in key NEI countries. We are also exploring the feasibility of other priority markets as identified under the NEI. These studies focus on special transportation topics in support of multimodal bi-national working group objectives. For example, Intelligent Transportation Systems (ITS) presents a large market opportunity for U.S. exporters in these markets, given the large transportation infrastructure projects those countries are preparing to

invest in. In some NEI countries, definitional studies are being conducted to consolidate information about the state and understanding of ITS technology in these countries, identifying obstacles to implement the U.S. ITS protocol, and creating inventories of likely ITS requirements for each project. \$77,250 will continue to support essential DOT participation in interim working group and plenary technical exchange meetings in partner countries, at which they will present and assess the results of joint studies and technical research.

This initiative is an ongoing multi-year effort. The U.S. needs to improve access to existing markets and gain access to new ones for U.S. transportation goods and services. Through these forums, we will advance export opportunities for our companies, promote advanced technologies and best practices and create a framework for a safer, more efficient and environmentally friendly global transportation system.

#### Freight Planning to Support National Exports: \$100,000

The National Export Initiative for Freight Planning, initiated in 2010, set out to double U.S. exports by 2015. In support of that Initiative, the Department has expanded its analysis of the U.S. freight transportation network to examine how adequately that network supports the needs of U.S. exporters. Forecasts of likely export flows over the next 20 years have been conducted, and the Department is analyzing the freight transportation requirements necessary to support those flows. A preliminary analysis has been conducted of the adequacy of the highway, rail, and water transportation system to meet those freight transportation requirements, including an analysis of highway bottlenecks that are most likely to affect freight export movements. Part of this research is a detailed analysis of the effect of the expansion of the Panama Canal on freight transportation flows. Together, these studies constitute the beginning of an expanded effort to respond to the mandate enacted in the Moving Ahead for Progress in the 21st Century Act (MAP-21) to develop a National Freight Strategic Plan.

#### Freight Planning, Data, and Analysis Requirements of MAP-21: \$125,000

MAP-21 also requires the Department to report on the Conditions and Performance of the Freight Transportation System, and directs the Department to develop improved Freight Transportation Investment Data and Planning tools. The Department has established a Freight Policy Council to coordinate multimodal freight planning and research and to implement the freight provisions of MAP-21, and this initiative will be staffed by OST Policy. DOT has also announced the establishment of a National Freight Advisory Committee to provide recommendations aimed at improving the national freight transportation system. By engaging stakeholders representing diverse geographic, modal, and policy interests, such as safety, labor and the environment, the Advisory Committee will provide recommendations to the Secretary of Transportation on how DOT can improve its freight transportation policies and programs. OST Policy will support both the Freight Policy Council and the National Freight Advisory Committee with TRPD funds.

Preparation of a Freight Conditions and Performance Report (due in September 2014), development of improved freight data and planning tools, and preparation of a National Freight Strategic Plan (due in September 2015) will be resource-intensive activities. While we will draw

upon resources in the modal administrations, most of the work will be done in the Office of Transportation Policy. This will require resources to support research on new data and planning tools, particularly new measures of freight conditions and performance. We will also need funding for freight forecasting to support the National Freight Strategic Plan.

International Transportation Forum: \$40,000

The International Transportation Forum (ITF) is the only international organization representing transportation interests across the world, and continues to expand to developed and developing member nations. The ITF was established by a European Conference of Ministers of Transport (ECMT) ministerial declaration in May 2006 within the legal framework of the ECMT Protocol signed in Brussels, Belgium in October 1953 to reflect the international nature of the transportation sector. Member and Associate Member countries of the ECMT are considered members of the ITF and participate in programmatic decisions such as work priorities and conference agenda. Members that provide financial contributions participate in financial decisions. The ITF is supported by work of the Organization of Economic Cooperation and Development (OECD)/ECMT Joint Transport Research Center (JTTC), an organization that the United States supports both programmatically and financially. DOT's Operating Administrations have benefited from participation in JTTC research projects ranging from improving highway pavement to congestion mitigation and motorcycle safety. The ITF has provided us the opportunity to cooperate in infrastructure financing, high speed rail, and the environment. ITF will contribute to a pool of funds managed by the ITF Secretariat which is used to develop a common transportation research agenda, to conduct the identified research program (through research contracts), and to present and assess the results of this research at the annual ITF meetings in Leipzig, Germany. Funds are used to support ITF Secretariat costs, including staff, contractors, and logistics and meeting costs. DOT has supported the ITF through annual voluntary membership contributions since 2007. The funds will sustain our voluntary annual membership contribution and be required for a five year period.

Research on Improving Benefit-Cost Analysis: \$100,000

It is widely recognized, at both the federal and state levels of government, that better economic analysis of transportation infrastructure investment is essential to getting greater economic competitiveness outcomes from our transportation infrastructure investment resources. Promising initiatives have begun in the use of benefit-cost analysis (BCA) in support of competitive grant programs such as the National Infrastructure Investments (NII)/TIGER Grant and High-Speed and Intercity Passenger Rail programs. A growing numbers of states and local authorities are making greater use of BCA in their own transportation infrastructure investment decision-making; they encounter the limitations of existing BCA methodologies. While some categories of benefits are readily estimated, others are not, including some which are critical to meeting transportation policy objectives.

The Department's request for FY 2015 would be used to continue research initiated in FY 2012 on improving the methodology of transportation benefit-cost analysis. Initial efforts have focused on livability-related benefits; continuing efforts in FY 2014 will focus more on benefits of freight-related infrastructure investments, including benefits associated with reducing transit time for freight shipments and benefits of diverting freight from less efficient modes to more efficient

modes. Freight-related analysis will continue in FY 2015. Freight transportation costs are complex, varying greatly with the nature of the commodity, the supply chain strategy of the shipper, and the spatial distribution of production, distribution, and retail centers. Complex modeling is needed to analyze the effects of a given transportation infrastructure investment on the costs of the varied carriers and their shippers who will make use of the infrastructure.

Work in FY2015 will also focus on economic development related benefits resulting from passenger-related investments, including effects of transportation infrastructure investment on land use, trip lengths, agglomeration effects, and economic productivity. This analysis is particularly important in connection with transportation investments such as transit and high-speed rail.

“Best-Practices” Initiative for Implementing Open-Skies Aviation Agreements: \$75,000

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

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

Business Aviation Initiative: \$75,000

The general aviation industry is a growing and increasingly important segment of the international aviation community. New operating paradigms, such as “fractional” aircraft ownership programs, not only have made non-commercial aviation more accessible and affordable but also have raised issues about whether these operations continue to be “private” carriage.

As general aviation becomes increasingly visible, particularly as an adjunct to the globalization of business in general, it is essential that international aviation regulators are sensitized to the economic importance of these services and their unique operational needs. Growth of this sector has the potential to yield benefits not only for users but also importantly for aircraft manufacturers. For this reason, the business aviation initiative represents a key Department priority in support of the Administration’s National Export Initiative (NEI).

Building on the Department's successes with Canada, Mexico, and Europe, the Department through this initiative has worked under the auspices of APEC to develop a set of agreed core principles that will facilitate the development of this sector in the region. Now that the APEC work is nearing completion, we anticipate extending the initiative to non-APEC Asian countries, as well as to Latin America, Africa, and the Middle East either bilaterally or regionally.

We anticipate that analytical support to create an inventory of current regulatory regimes and airport access criteria will provide an important underpinning for the proposed policy approach and help the Department to target specific countries for bilateral outreach in conjunction with the regional initiative through APEC. The requested funds would support both the contractor participation and staff travel associated with this initiative.

**Environmental Sustainability Strategic Goal:** (\$56,718 in contract research)

Climate, Sustainability and Adaptation Policy: \$56,718

Requested funding would advance research to support policy decisions and transportation response to emerging policies on climate change mitigation, alternative fuels and strategies to reduce transportation related pollution and impacts on the natural environment, making the transportation sector more environmentally sustainable. This funding will support transportation aspects of major White House initiatives, including update of the Global Change Research Program's National Climate Assessment mandated by the Global Change Research Act and representing DOT on the National Climate Assessment's advisory committee.

The funding would also support the Council on Environmental Quality-led interagency effort to integrate adaptation planning in all Federal agencies policies and program and related DOT work to assist state and local transportation agencies to evaluate risks and protect critical infrastructure and support incorporation of such considerations in DOT programs. The work would support the regular update of the DOT adaptation plan. It would identify methodological and data gaps and develop methods and tools to assist national, state and local transportation system and infrastructure operators in developing practical approaches to planning for and adapting to climate change, including risk and vulnerability assessments. DOT has a critical role because long-lived existing and planned infrastructure will be at risk from sea level rise, storm surge, extreme events, changing precipitation patterns and other climate change consequences. DOT actions to implement adaptation to climate are coordinated through DOT's Center for Climate Change & Environmental Forecasting/Office of Climate Change directed to be established by the Energy Independence and Security Act of 2007 (EISA), and this funding would in part support coordinated research. This research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the environmental sustainability goal of advancing policies and investments that reduce carbon and other harmful emissions from transportation sources.

**Quality of Life in Communities Strategic Goal:** (\$150,000 in contract research)

Partnership for Sustainable Communities: \$50,000

DOT will fund projects jointly with other federal agencies through the Partnership for Sustainable Communities. This research will provide tools, models, and case studies to support communities' efforts to become more livable, through integration of Federal programs for transportation, housing water and other infrastructure. This research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the goal of fostering quality of life in communities through place-based policies and investments that increase transportation choices and access to Transportation services.

Health and Transportation: \$50,000

DOT will fund the Health in Transportation Initiative, jointly developed by DOT and the Centers for Disease Control. This project highlights the linkages between transportation investments and health outcomes by developing interactive online tools, such as a database of indicators and outcome data. The research leverages other agencies and outside expertise to advance the goal of fostering quality of life in communities, and will increase the awareness of this issue.

Economic Impacts of Livable Communities: \$50,000

DOT will fund research into the economic impacts quality of life in communities by studying the benefits of place-based policies and investments funded through other DOT programs. This research will draw upon current and past grantees to document lessons learned and outcomes as a result of federal investments.

Safety Strategic Goal: (\$100,000 in contract research)

DOT Safety Council: \$100,000

The Office of Safety, Energy and Environment will fund technical and logistical support of DOT Safety Council, which provides a forum to identify, prioritize and coordinate cross-modal safety challenges and emerging safety issues. This research will assist DOT in attaining performance goals specified in the DOT Strategic and Performance Plans, especially the goal of improving public health and safety by reducing transportation-related fatalities and injuries.

## **RESEARCH, DEVELOPMENT & TECHNOLOGY COORDINATION**

**AMOUNT REQUESTED FOR FY 2015:** \$509,000

**Project:** *Planning and Coordination*

**Objective:** Coordinate, facilitate and review the Department's investment in research, development and technology (RD&T).

**Description:** This program promotes coordination and collaboration for the Department's RD&T programs through the RD&T Planning Council and RD&T Planning Team. These groups are convened at the Assistant Secretary and Deputy Assistant Secretary levels, respectively, to provide a forum for intra-agency and interagency coordination. This program manages and coordinates the strategic planning and execution process for transportation RD&T across the Department. It promotes excellence in research management, developing guidance on peer review processes and research ethics, and increases DOT participation in initiatives of the Office of Science and Technology Policy (OSTP)/National Science and Technology Council (NSTC).

**Outputs:**

- Monthly RD&T Planning Team meetings.
- Semi-annual RD&T Planning Council meetings.
- Implementation of the five-year USDOT RD&T Strategic Plan.
- RD&T Section V budget guidance
- Annual analysis of the Department's RD&T budget to ensure alignment with the Secretary's priorities, the USDOT Strategic Plan and the President's budget.
- Annual Departmental RD&T Program Reviews.
- Annual US DOT RD&T Funding Report to Congress.
- USDOT representative to the International Transport Forum's Joint Transport Research Committee (ITF/JTRC)
- Coordination of Departmental response to new directives from the White House Office of Science and Technology Policy, including the Scientific Integrity Policy and the Policy for Increasing Access to the Results of Federally Funded Scientific Research.

**RD&T Partners:**

- DOT Operating Administrations.
- Department of Energy, National Renewable Energy Laboratory.
- Stakeholders including the Transportation Research Board (TRB) and its hundreds of committees, TRB cooperative research programs, the Association of State Highway and Transportation Officials Research Advisory Committee, academic institutions, state DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including the owners and operators of transportation infrastructure.

**FY 2015 Funding:** \$334,000

**RD&T Strategies:**

- Improve the transparency, accountability and coordination of DOT’s RD&T investments.
- Increase as well as leverage intermodal RD&T activities across the Department and among DOT-funded researchers and other stakeholders.
- Fund small, time critical research projects.

**Project:** *USDOT Research Hub*

**Objective:** To provide the information needed to foster research coordination and collaboration, promote excellence in research management, and increase RD&T transparency within the Department and with stakeholders.

**Description:** This project consists of a web-based, publicly-available central repository of RD&T project records obtained from each Operating Administration (provided online at [www.rita.dot.gov/researchhub](http://www.rita.dot.gov/researchhub)). The database supports research coordination by providing project-level access to DOT’s extensive RD&T portfolio, ensuring transparency and leveraging opportunities for cross-agency collaboration. The database is used to develop reports on pertinent research topics, and to identify gaps and duplication in ongoing research activities across the Department. Beneficiaries include DOT staff, transportation research program managers and researchers, external stakeholders, transportation system managers and users, OMB, and Congress. Funding will be used to maintain up-to-date database content, add new information on “real world” research implementation, and upgrade the web interface to enhance ease of use and search capabilities.

**Outputs:**

- Increased leveraging of knowledge, funds and products that come from the expenditure of DOT RD&T investments.
- Tracking of DOT RD&T spending and types of research investments.
- Use of the database to identify research gaps, overlaps, and potential synergies, and to answer inquiries on DOT RD&T activities and research topics.
- Cross-modal reviews of the Department’s research portfolio

**RD&T Partners:**

- DOT Operating Administrations.
- DOT-funded researchers including the Office of the Assistant Secretary for Research and Technology’s University Transportation Centers and FAA Centers of Excellence.
- Stakeholders including the Transportation Research Board and its hundreds of committees, TRB cooperative research programs, the Association of State Highway and Transportation Officials Research Advisory Committee, academic institutions, State DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including the owners and operators of transportation infrastructure.



**FY 2015 Funding:** \$100,000

**RD&T Strategies:**

- Improve the transparency and accountability of DOT’s RD&T investments.
- Increase and leverage intermodal RD&T activities among the modes and among DOT-funded researchers and other stakeholders.

**Project: *Technology Transfer***

**Objective:** To promote excellence in research management by more effectively transferring scientific information and results from science and technology findings to potential users for application in the public domain. The program also supports the Office of the Assistant Secretary for Research and Technology overall RD&T coordination mission.

**Description:** Technology Transfer is the process the Federal Government uses for its research to become known and used by transferring scientific information (technologies) to stakeholders and users who may further develop it for public or private needs. It includes various elements of transferring technologies and augments the Department’s marketing and deployment of Technology Transfer. This program ensures the full use of the Department’s investment in research and development, and it protects intellectual property through securing patents and issuing licenses (where applicable) that facilitate commercialization of these technologies.

**Outputs:**

- Continue leading collaborative efforts with the cross-modal technology transfer team and respond to the Presidential Memorandum on Accelerating Technology Transfer and Commercialization of Federal Research in Support of High-Growth Businesses.
- USDOT funded technologies identified for potential application.
- Processes facilitating technology transfer.

**RD&T Partners:**

- DOT Operating Administrations.
- DOT-funded researchers including the Office of the Assistant Secretary for Research and Technology’s University Transportation Centers.
- Stakeholders including the Transportation Research Board and its hundreds of committees, TRB cooperative research programs, the Association of State Highway and Transportation Officials Research Advisory Committee, academic institutions, State DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including the owners and operators of transportation infrastructure.

**FY 2015 Funding:** \$50,000

**RD&T Strategies:**

- Improve the transparency and accountability of DOT’s RD&T investments.
- Increase awareness about DOT’s technology transfer activities among the modes, DOT-funded researchers and other stakeholders.

- Increase awareness of availability of technologies for application with potential users.

**Project:** *Transportation Education and Workforce Development Coordination*

**Objective:** To foster the development of a dynamic and diverse transportation workforce through partnerships with the public sector, private industry and educational institutions.

**Description:** This program will coordinate the investments of the Department in attracting, recruiting, and retaining a highly skilled and trained workforce for the industry in collaboration with the Operating Administrations and industry partners. It will also enable the Department to increase its own STEM and transportation mentoring efforts for K-12 students.

**Outputs:**

- A minimum of eight meetings of the DOT Education and Workforce Development Community of Practice
- Coordinated annual reporting of transportation education and workforce development performance goals and indicators as outlined in the DOT Strategic Plan 2014-2018.
- Showcase notable practices in transportation education and workforce development.
- Continued coordination with Departments of Education and Labor.
- Increased numbers of DOT employees participate as mentors in the Youth-Employee Science, Technology, Engineering and Mathematics (STEM) Mentoring Program.

**RD&T Partners:**

- DOT Operating Administrations.
- DOT-funded transportation education programs including the Office of the Assistant Secretary for Research and Technology's University Transportation Centers, the FAA Centers of Excellence, FHWA's National Summer Transportation Institutes, and FTA's Transit Workforce Development Grants.
- Federal agencies with mission in education and workforce such as Departments of Education and Labor, and the National Science Foundation.
- Stakeholders including the Transportation Research Board's Training and Education Committee, professional associations, labor unions, community colleges, State Departments of Education.

**FY 2015 Funding:** \$25,000

**RD&T Strategies:**

- Improve the transparency and accountability of DOT's education and workforce development investments.
- Increase and leverage intermodal education and workforce development activities among the Operating Administrations and among DOT-funded programs and other stakeholders.

## ALTERNATIVE ENERGY RESEARCH

**AMOUNT REQUESTED FOR FY 2015:** \$499,000

**Objective:** To leverage funds across, and outside, DOT to address the impacts of alternative energy on our nation's transportation systems, and to ensure the safe use and efficient deployment of alternative energy types.

**Description:** The program is the only intermodal, multidisciplinary program assessing alternative energy impacts on our nation's transportation systems, while working to ensure the safe application and efficient deployment of different energy types. The funding flexibility allows for the innovative and effective research needed to advance the state of knowledge, and practice, in this area. The program also supports stakeholder needs in alternative energy as part of the Administration's strategic goal of environmental sustainability. Without this funding, the ability to support, collaborate, and coordinate the deployment of alternative energy types thereby providing the opportunity for the public to choose between energy sources would be lost.

### Outputs:

- Outcomes that will advance the state of alternative energy technologies and applications, such as patents, technology demonstrations, and commercialization.
- Increased scientific knowledge through publications and citations.
- Effective and timely development of safety standards, rules and regulations.
- Better adaptation and/or application to transportation of long-term enabling research performed by other Federal agencies, including the Department of Energy, the National Science Foundation, and the National Biomass R&D Board.

### RD&T Partners:

- DOT Operating Administrations.
- DOT-funded researchers including the Office of the Assistant Secretary for Research and Technology.
- University Transportation Centers and FAA Centers of Excellence.
- Department of Energy, National Renewable Energy Laboratory.
- External stakeholders including other federal agencies, the Transportation Research Board and its hundreds of committees, TRB cooperative research programs, and the Association of State Highway and Transportation Officials Research Advisory Committee.

**FY 2015 Funding:** \$499,000

### RD&T Strategies:

- Improve DOT's ability to meet Administration goals on alternative energy development and deployment.
- Improve DOT's ability to meet Administration goals on mitigating greenhouse gas emissions in the transportation sector through peer-reviewed funding awards.

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- Interact with other Federal agencies to accelerate the use of alternative energy sources and reduction in greenhouse gas production.
- Fund research to enhance the use of alternative energy in the transportation system.

## **POSITIONING, NAVIGATION, AND TIMING**

**AMOUNT REQUESTED FOR FY 2015:** \$1,610,000

**Objective:** To serve as the lead for civil Positioning, Navigation, and Timing (PNT) requirements, architecture development, and ensure protection of GPS and other safety-of-life transportation capabilities from harmful interference.

**Description:** The PNT program coordinates DOT PNT technology, policy, and spectrum management, as well as provides civil PNT systems and spectrum analysis which is critical to crossmodal transportation applications in support of the DOT Safety and Environmental Sustainability Strategic Goals.

RITA serves as the civil lead of the National PNT Architecture effort, a cross-modal interagency effort, to guide future PNT system-of-systems investment and implementation decisions.

### **Outputs:**

- Federal Radionavigation Plan in conjunction with DoD and DHS
- DOT Strategic Spectrum Plan
- Spectrum interference standards for systems operating in the band adjacent to GPS
- Civil PNT Requirements Document
- Coordinated analysis based on National PNT Architecture Implementation Plan
- Increased awareness of vulnerabilities of GPS and alternative PNT technology options
- Summary Record of Civil GPS Service Interface Committee (CGSIC) meetings

### **RD&T Partners:**

- DOT Operating Administrations
- Department of Defense
- Department of Homeland Security
- Civil government agency PNT stakeholders
- External stakeholders including other federal agencies, the Transportation Research Board and its hundreds of committees, TRB cooperative research programs, as well as the Association of State Highway and Transportation Officials Research Advisory Committee.

**FY 2015 Funding:** \$1,610,000

### **RD&T Strategy(ies):**

Through participation in the National PNT Architecture effort, DOT can leverage work conducted by the Department of Defense in the development of new PNT capabilities and explore technology transfer to civil applications. This effort is important to mitigate the growing vulnerability of GPS to jamming and potential spoofing of the signal and increase resiliency of critical infrastructure that uses GPS. Conduct a GPS Spectrum Adjacent Band Compatibility Assessment to ensure that adjacent radiofrequency bands to GPS contain compatible signals and

services that will not interfere with GPS. This assessment is in response to work conducted in 2011 to evaluate a proposal by LightSquared LLC to deploy a wireless broadband service in the radiofrequency band adjacent to GPS which demonstrated widespread interference to GPS. Interface with the Intelligent Transportation System (ITS) Joint Program Office on technical analysis to determine whether Dedicated Short Range Communications (DSRC) can co-exist with operation of wireless services.

## INTELLIGENT TRANSPORTATION SYSTEMS PROGRAM SUMMARIES

**AMOUNT REQUESTED FOR FY 2015:** \$113,000,000

### RESEARCH

**AMOUNT REQUESTED FOR FY 2015:** \$89,590,000

**Objective:** To carry out early implementation pilot programs, multi-modal, short-term intermodal, and exploratory research administered as a collaborative partnership between the ITS Joint Program Office (JPO) and modal administrations. With the creation of the Office of the Assistant Secretary for Research and Technology, the ITS Program will be better positioned to leverage the entire work of the Department utilizing technology to advance transportation goals. The ITS JPO will increase its visibility and broaden its outreach to the entire Department in leveraging modal research and applying innovative solutions to our nation's transportation challenges.

**Description:** The ITS Research Strategic Plan includes the following multi-year research activities:

- **Early Implementation Connected Vehicle Pilot Program.** This program will provide resources to demonstrate, evaluate, and collect lessons learned on the implementation of vehicle to infrastructure safety, dynamic mobility applications, and AERIS applications in at least one location. The research will provide valuable information to support the FHWA deployment guidance and accelerate implementation of connected vehicle systems by state and local agencies.
- **Vehicle-to-Vehicle (V2V) Communications for Safety:** This research will fill any research gaps identified by the National Highway Traffic Safety Administration as needed to support light vehicle safety capability and will provide research to speed the adoption of these safety capabilities for heavy vehicles.
- **Vehicle-to-Infrastructure (V2I) Communications for Safety:** This research will investigate the use of smart infrastructure to support warning drivers of road hazards such as intersection collision warnings, slippery road surfaces, curved speed warnings, and other conditions that present hazards to drivers. The purpose is to accelerate the next generation of safety applications through widespread adoption of V2I communications to reduce crashes, injuries, and fatalities.
- **Real-Time Data Capture and Management:** This research will assess what traffic, transit and freight data are available today from various sources, and consider how to integrate data from vehicles acting as "probes" in the system. The goal is to accelerate the adoption of transportation management systems that can be operated in the safest, most efficient and most environmentally friendly way possible.
- **Dynamic Mobility Applications:** This research will examine the use of multiple data types including road weather data, arterial and highway traffic conditions, transit vehicle arrival and departure times, real time navigation routing, construction zones, and incidents from multiple sources and technologies to help people and goods effortlessly transfer from one mode of travel (car, bus, truck, train, etc.) or route to another for the

fastest and most environmentally-friendly trip possible. The research seeks to make cross-modal travel possible for people and goods, and enable agencies and companies to optimize the management of their systems.

- **Applications for the Environment: Real-Time Information Synthesis (AERIS):** This research will explore how vehicle data can be combined with environmental data. The goal is to provide transportation managers with the capability to manage the transportation network while accounting for environmental impact.
- **Human Factors:** Additional technology in vehicles may have the potential to overload drivers and increase safety risks. The human factors research will examine the effect of in-vehicle devices to minimize or eliminate distraction risks.
- **Short-term Intermodal Research:** This research program includes active traffic management, international border crossing, smart roadside infrastructure, commercial vehicle efficiency, electronic payment, and maritime applications.
- **Exploratory Research:** This research program includes safety research for rail, technology scanning, and initial work on automated vehicle research.
- **Cross-Cutting Activities:** This program includes architecture, standards, professional capacity building, technology transfer, and evaluation.

#### **Outputs:**

- Early implementation pilot to demonstrate cross modal V2V and V2I safety applications (cars, trucks, buses), dynamic mobility applications and AERIS applications to support the Department's decision processes.
- Requirements for V2V and V2I safety applications.
- Human factors research to guide the implementation of crash avoidance technology in a manner that is safe and non-distracting.
- Connected vehicle-based mobility applications providing a connected, data-rich travel environment. Demonstration of the use of real time data for enhanced mobility, efficiency, and environmental sustainability.
- Innovative use of exploratory research through broad non-traditional exposure to the public and research communities.
- Implementation of test and analyses regarding automated vehicle safety research identified in the automated vehicle research program plan and road map..

#### **ITS Partners:**

- Federal Highway Administration (FHWA)
- Federal Motor Carrier Safety Administration (FMCSA)
- Federal Railroad Administration (FRA)
- Federal Transit Administration (FTA)
- Maritime Administration (MARAD)
- National Highway Traffic Safety Administration (NHTSA)
- Pipelines Hazardous Materials Safety Administration (PHMSA)
- Automotive manufacturers
- Academia
- State and local transportation agencies



- ITS industry

**FY 2015 Funding:** \$89,590,000

**ITS Strategy(ies):** Pursue the capabilities of wireless technologies to make transportation safer, smarter, greener and, ultimately, enhance livability for Americans, is encapsulated in research for establishing connectivity among vehicles and the infrastructure through advanced wireless communications. The research is aimed towards achieving a deployable system in which vehicles of all types (automobiles, trucks, motor coaches, transit vehicles, and other fleets), infrastructure, and mobile devices can interact through secure communications to optimize the transportation system. Initiate efforts to leverage the growing prevalence of ubiquitous data and the success of the connected vehicle research to research and develop safety and security requirements for high-reliability, automated vehicles with proven fail-safe operations.

## **TECHNOLOGY TRANSFER**

**AMOUNT REQUESTED FOR FY 2015:** \$18,410,000

**Objective:** To conduct multi-modal, short-term intermodal, and exploratory research administered as a collaborative partnership between the ITS Joint Program Office (JPO) and modal administrations.

**Description:** The ITS Technology Transfer and Evaluation area consists of professional capacity building, ITS deployment evaluation, standards, and architecture. Professional capacity building involves the training of transportation professionals on the acquisition, use, and maintenance of ITS technologies in the transportation field. Professional capacity building is conducted and delivered through a number of mechanisms to include: seminars, webinars, workshops, online training, and classroom training.

Evaluations of ITS research progress are critical to ensuring progress toward the vision of integrated intelligent transportation systems. Evaluations are also critical to an understanding of the value, effectiveness, and impacts of the ITS Program activities as a whole and to allow for the continual refinement of the ITS Program's strategy. Each ITS research element incorporates evaluation into the program design.

### **Outputs:**

- Approved internationally harmonized industry standards for V2V and V2I safety applications
- Multi-modal ITS training programs for transportation professionals
- Independent evaluations of ITS Program research activities
- Independent evaluation of the early implementation connected vehicle pilot program.
- ITS Deployment Tracking surveys and analysis.
- ITS Deployment Evaluation — Planning for, conducting, and reporting on evaluations of deployments conducted outside of the ITS Research Program.
- ITS Program evaluation for conducting and reporting on the overall effectiveness of the ITS Program.
- Knowledge Transfer — Reporting research, deployment, and program evaluation results and implications to stakeholders both internal and external to ITS. Identifying and applying Knowledge Transfer "best practices," including user-friendly media and formats, user skill-building efforts, application demonstrations, etc., to encourage and facilitate deployment. Establish methods to incentivize ITS Deployment. Support to the FHWA in the development of Deployment Guidance materials pursuant to their 2015 decision.

### **ITS Partners:**

- AASHTO
- SAE
- IEEE

- ITE
- APTA
- ITSA
- CVTA
- Academia
- Private industry
- Training organizations

**FY 2015 Funding:** \$18,410,000

**ITS Strategy(ies):**

- Apply, refine, and test ITS standards required to support V2V and V2I safety applications and other ITS deployments.
- Add to the successful, on-line ITS Benefits, ITS Costs, and ITS Lessons Learned databases, and augment the ITS Deployment statistics with results from the 2013 survey. Fund further updating and testing of other standards, including those covering infrastructure, vehicle, transit, and motor carrier, and other ITS technologies.
- Develop and maintain a National ITS Architecture that provides a definitive and consistent framework to guide the planning and deployment of ITS technologies across jurisdictions and regions to ensure interoperability across all 50 states and across the Canadian and Mexican borders.
- Provide deployment support and incentives for public agencies to assist with development, maintenance, and improvement of their regional ITS architectures.

**ITS PROGRAM SUPPORT**

**AMOUNT REQUESTED FOR FY 2015:** \$5,000,000

**Objective:** To provide administrative and technical support and management oversight and accountability within the program to ensure research investments maximize benefits to the public.

**Description:** The program support function provides the support necessary to meet program requirements and tracks all ITS expenditures, invoices, milestones, deliverables, and overall progress and performance of ITS research projects.

In order to provide the ITS-JPO Program Managers the programmatic support needed to accomplish their work activities effectively and with high quality, an Enterprise Program Management Office (EPMO) was established. The EPMO provides technical and project management assistance and thought leadership in: identifying, and defining programmatic research outcomes and measures; developing and implementing project management processes and documentation to enable uniform collection and analysis of performance data; and providing management recommendations based on the data collected.

ITS Program Support includes technical and administrative support to carry out the program and requirements such as the ITS Advisory Council; Strategic Plan Development; and International Agreements.

**Outputs:**

- An online, centralized Automated Tracking System (ATS) to provide real time project monitoring of over 5 different internal management databases to all ITS staff.
- Monthly status reports on all project status.
- ITS Advisory Council Report.
- DSRC Study Report.
- ITS Deployment Incentive Plan.

**ITS Partners:**

- DOT modal administrations

**FY 2015 Funding:** \$5,000,000

**ITS Strategy(ies):**

- Apply an enterprise management methodology for all ITS research investments
- Utilize formal risk management techniques to measure, monitor, and control programmatic risks with a continuous improvement process.  
Meet reporting and regulatory requirements as identified in MAP-21.

**EXHIBIT V-1**  
**FY 2015 RESEARCH, DEVELOPMENT & TECHNOLOGY BUDGET REQUEST BY GOAL**  
**DEPARTMENT OF TRANSPORTATION**  
**BUDGET AUTHORITY**  
(in thousands of dollars)

	<u>FY 2013</u> <u>Actual</u>	<u>FY 2014</u> <u>Enacted</u>	<u>FY 2015</u> <u>REQUEST</u>	<u>FY 2015</u> <u>APPLIED</u>	<u>FY 2015</u> <u>DEVELOPMENT</u>
OFFICE OF THE SECRETARY (TPR&D)					
<b>A. Transportation Planning, Research &amp; Development</b>	<b><u>8,529</u></b>	<b><u>7,000</u></b>	<b><u>8,000</u></b>	<b><u>0</u></b>	<b><u>8,000</u></b>
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY					
<b>B. Research &amp; Development</b>	<b><u>5,741</u></b>	<b><u>7,043</u></b>	<b><u>7,048</u></b>	<b><u>4,413</u></b>	<b><u>2,635</u></b>
Salaries and Administrative Expenses	4,408	4,425	4,430	3,318	1,112
Alternative Fuels Research & Development (R&D)	473	499	499	200	299
RD&T Coordination	482	509	509	364	145
Positioning, Navigation, and Timing	378	1,610	1,610	531	1,079
Competitive University Transportation Center (UTC)	[69,338]	[68,803]	[82,000]	[41,000]	[36,250]
Consortia (FHWA) <sup>1/</sup>					
Intelligent Transportation Systems <sup>1/</sup>	[97,708]	[94,900]	[113,000]	[94,540]	[0]
<b>TOTAL</b>	<b><u>14,270</u></b>	<b><u>14,043</u></b>	<b><u>15,048</u></b>	<b><u>4,413</u></b>	<b><u>10,635</u></b>

<sup>1/</sup> Resources are shown as non-adds because the funding resides in the FHWA/FTA budget.

**Transparency Paper:  
Total Program Resources for  
Office of the Assistant Secretary for Administration  
and  
Office of the Chief Information Officer**

The information contained in this Transparency Paper identifies the amount of funding received and requested by the Office of the Chief Information Officer and the Office of the Assistant Secretary for Administration from direct appropriations, and the amount of funding for those two offices from WCF reimbursements; a clear description of the WCF work that is completed under the appropriations cap, exempt from the cap, and completed under reimbursable agreements; and full supporting information for any request to modify the WCF appropriations language.

**INTRODUCTION**

The Working Capital Fund (WCF) was authorized under the Department of Transportation (DOT) Act, Public Law 89-670, enacted October 15, 1966, to provide technical and administrative services that allow the DOT Operating Administrations (OAs) to focus on core missions while reducing costs by consolidating administrative management structures. The WCF is funded through negotiated agreements with its customers. The WCF is an intra-governmental revolving fund established in order to finance a cycle of operations in which the customers reimburse the costs of goods and services received. Costs reimbursed by customers include direct and indirect costs including accrued annual leave and capital asset depreciation. To extend efficiencies and to increase economies of scale, the WCF also services customers outside of the DOT. These Non DOT customers include the Department of Homeland Security, specifically Coast Guard and Transportation Security Administration, and more than 100 agencies nationwide, including the House of Representatives, that use the WCF to manage transit benefits to their employees.

The WCF, through the Office of the Assistant Secretary for Administration (OASA) and the Office of the Chief Information Officer (OCIO), provides a wide range of technical and administrative services, including personnel operations and systems, facilities management, parking management, transit benefit programs, printing and graphics, mail operation, library and dockets management operations, building security, IT security and infrastructure, telecommunications, and procurement and acquisitions services. The fund's services are delivered to customers through an organizational structure of individual business lines providing related services or products. This consolidation of services allows the WCF to achieve economies of scale, eliminate redundancies, promote consistency in service, and reduce administrative costs across the Department.

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a fully self-sustaining organization and must achieve full cost recovery which includes an equitable distribution of overhead and indirect costs. During the budget formulation stage, the WCF provides cost estimates to the WCF customers based on historical data and projected demand and service levels. During the year of execution, customers are billed for actual use of common services.

A WCF Steering Committee (Committee) was established in fiscal year (FY) 2003 to facilitate shared accountability by both WCF and the operating administrations, and ensure a transparent and effective working environment that invites everyone involved to operate with shared responsibilities. The Committee ensures common goods and services are provided in the most cost effective and efficient manner. The Committee is comprised of Associate Administrators of Administration and Chief Financial Officers/Budget Officers from each OA. Specific functions and activities of the Committee include: recommending goods and services that comprise the WCF; approving all WCF funding levels for each service; evaluating the WCF performance in meeting service plans; ensuring that systematic measures of performance against approved service plans are in place; and evaluating and approving capital asset purchases in excess of \$50,000.

The Office of the Assistant Secretary for Administration administers funds for the Working Capital Fund, receives appropriations for Salaries and Expenses for non-WCF functions, and administers a Reimbursable Program. The Office of the Chief Information Officer provides IT services, technical management, and business support through the WCF. The OCIO also receives Salaries and Expenses and Cyber Security Initiatives appropriations.

The following table shows the breakout of funds for both offices.

**TOTAL OBLIGATIONAL AUTHORITY BY OFFICE**

(In thousands of dollars)

	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
<b>Assistant Secretary for Administration</b>				
Salaries and Expenses	24,137	26,378	27,420	1,042
Working Capital Fund				
DOT	102,286	110,863	119,025	8,162
NON-DOT	318,504	339,872	341,102	1,230
Reimbursable	1,464	1,832	1,848	16
<b>TOTAL</b>	<b>446,391</b>	<b>478,945</b>	<b>489,395</b>	<b>10,450</b>
<b>Chief Information Officer</b>				
Salaries and Expenses	14,204	15,695	16,106	411
Cyber Security Initiatives	9,477	4,455	5,000	545
WCF DOT Activities	69,370	67,137	68,692	1,555
WCF NON-DOT Activities	616	610	0	(610)
<b>TOTAL</b>	<b>93,667</b>	<b>87,897</b>	<b>89,798</b>	<b>1,901</b>



**Major Responsibility**  
**Source of Funds**  
**FY 2015 Request (in thousands)**

**Office of the Assistant Secretary for Administration Overview:**

The Assistant Secretary for Administration is the policy and operations leader and principal advisor to the Secretary of Transportation on Department-wide and Office of the Secretary administrative functions. The Assistant Secretary serves as the:

- Department's Chief Human Capital Officer and provides leadership on all matters associated with the Chief Human Capital Officers Act of 2002. In this role, oversees the planning, implementation, reporting, and evaluation of personnel policies, programs, operating procedures, and systems that support DOT strategic objectives and performance goals.
- Deputy Chief Acquisition Officer for DOT (49 CFR §1.59(a) (6)). Formulates departmental policy, controls and standards to ensure that procurement and financial assistance management programs are in accord with applicable laws, regulations, and good business practices to meet departmental missions in support of the national transportation system.

The Assistant Secretary also delivers administrative services to DOT and Non-DOT customers through the WCF operations and ensures administrative support services are responsive to OST customer requirements and DOT strategic policy direction.

For FY 2015, the Office of the Assistant Secretary for Administration will administer three sources of funding in performing its various roles in support of the DOT. Each funding stream is maintained and reported independently. OASA funding directly tracks to the OASA three areas of responsibility:

- Annually appropriated Salaries and Expenses (S&E) for carrying out human resources and procurement policy, security management and follow-up, promoting environmental strategies and technologies, and resolution of Government Accountability Office and Inspector General audit reviews of department programs, including preparation of required reports.
- Reimbursable funding for providing formal Administrative Procedure Act (APA) hearings to DOT operating administrations.
- Working Capital Fund cost reimbursements for providing and supporting Department-wide core administrative, security and facilities functions such as executive and political personnel operations, building security, and facilities management.

Specific breakdown of the uses of these funds follows.

**FY 2015  
(\$000)**

Assistant Secretary for Administration - Salaries and Expenses \$27,420

The OASA provides oversight and leadership for major programs such as acquisition reform, human capital planning and recruitment, sustainable operations and environmental compliance, physical and facility security policy outreach and oversight, and emergency preparedness. This program also administers the resources to pay for consolidated rent payments to GSA and OST payments to the Working Capital Fund.

The Assistant Secretary for Administration serves as the principal advisor to the Secretary and Deputy Secretary on Department-wide administrative matters. The Assistant Secretary is the Department's Chief Human Capital Officer (CHCO), with statutory responsibility for developing and reviewing policies and programs to ensure that high-quality, diverse talent is both continuously available and properly deployed to support DOT objectives. Reforms mandated by the Service Acquisition Reform Act (P.L. 108-16) and the Energy Policy (E.O. 13514) have also significantly enlarged the responsibilities of the Assistant Secretary, who is the Deputy Chief Acquisition Officer. In that capacity, the OASA formulates departmental policy, controls, and standards to ensure that procurement and financial assistance programs are in accord with applicable laws, regulations, and good business practices. Under the authority delegated by the Secretary, the Assistant Secretary carries out the responsibilities of the Competitive Sourcing Officer as specified in OMB Circular A-76, Performance of Commercial Activities. The Assistant Secretary is also the senior departmental security executive and provides leadership and direction to departmental organizations to ensure the safety, security, and protection of DOT personnel, information, facilities, and other assets.

Assistant Secretary for Administration - Working Capital Fund \$460,127

DOT: \$119,025

NON-DOT: \$341,102

The Working Capital Fund (WCF) provides Departmental services in human resources, security, acquisition and grants, information services, transportation and facilities, and space management. In the transit benefits area, the WCF manages the program for over 100 agencies nationwide. These services include financial management of DOT's WCF.

The DOT's WCF provides an array of services in support of the Department's Office of the Secretary and Operating Administrations. The WCF is a full cost recovery, fee-for-service organization that normally receives no directly appropriated funds, but recovers costs through cost reimbursable and interagency service level agreements. The WCF has an obligation ceiling set by Congress which limits the amount of business the WCF may do for the Department that fiscal year.

Assistant Secretary for Administration - Reimbursable Program

Office of Hearings

\$1,848

The Office of Hearings is located in the Office of the Assistant Secretary for Administration in order to separate the Office from all investigatory and prosecution functions. The Office of Hearings is composed of administrative law judges, who hold hearings under the Administrative Procedure Act (5 U.S.C. § 551 et seq.) (APA) for the Department's Office of the Secretary (primarily in aviation matters) and the Department's component modal administrations that need formal APA hearings, including the Federal Aviation Administration, Federal Motor Carrier Safety Administration, and the Pipeline and Hazardous Materials Safety Administration.

**Office of the Chief Information Officer Overview:**

The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT) and cyber security advisor to the Secretary. In this strategic departmental role, the CIO provides leadership on all matters associated with the Department's \$3.5 billion IT portfolio. This includes security, investment management, and improvements in the delivery of services to the American taxpayer through electronic government initiatives.

The DOT OCIO also supports the CIO function for Office of the Secretary. Similar to the role of an operating administration CIO, the OST CIO ensures that IT needs of OST employees are met and sound investment decisions are made, consistent with mission and business requirements of the DOT CIO. Funding is included in this request to address the CIO's strategic departmental, OST and infrastructure roles.

The DOT CIO delivers IT services to DOT customers through the operation of an IT infrastructure that includes e-mail services, a backbone network, and help desk support. Historically, operating administrations contract with the CIO for services and reimburse the CIO for the cost of those services. The WCF is the reimbursement mechanism for these services.

**DOT CIO Managed Resources Overview:**

For FY 2014, the Office of the Chief Information Officer (OCIO) will administer three sources of funding in performing its various roles in support of the DOT. Each funding stream is maintained and reported independently. OCIO funding directly tracks to the CIO's three areas of responsibility:

- Annually appropriated Salaries and Expenses (S&E) for carrying out IT policy, security and other mandates, guidance, monitoring and reporting; and
- WCF cost reimbursements for providing and supporting Department-wide core IT functions, such as information assurance and support, voice, cable and wireless, campus area network (CAN), desktop services, and server and messaging services.
- A Cyber Security Initiatives appropriation to properly build out and maintain a more secure Wide Area Network (WAN) for the US Department of Transportation, building on and continuing the accomplishments achieved with the FY 2013 Cyber Security Initiatives appropriation.

A specific breakdown of the uses of this funding request follows.

**FY 2015**  
**(\$000)**

Office of the Chief Information Officer - Salaries and Expenses \$16,106

The OCIO annual Salaries and Expenses appropriation provides pay, compensation and benefits for the Department’s CIO, and Deputy CIO and Chief Technology Officer, the CIO for OST, as well as technical and administrative government staff. Annual OCIO S&E funding provides resources necessary for the CIO to meet responsibilities to the Department as well as other Executive and Legislative Branch requirements, and for improving practices in the design, modernization, use, sharing, and performance of information resources. The CIO develops recommendations for information technology management policies, procedures, and standards and leads e-government projects to improve service delivery, and foster the effective use of IT communication technologies to enhance business activities performance.

Cyber Security Initiatives \$5,000

The DOT OCIO is requesting \$9.468 million of cyber security funding for FY 2014. A major focus of the FY 2014 Cyber Security Initiatives request will be for necessary upgrades to the wide area network and information technology, building on and continuing accomplishments achieved in FYs 2012 and 2013. The funding will position DOT to address evolving risks in cyber security by expanding and strengthening the environment that will properly align the WAN and existing Campus Area Network (CAN). The appropriation will provide funding to continue upgrades for the WAN to strengthen cyber security, replacing failing pieces of the existing infrastructure, and properly implementing infrastructure components to support critical federal initiatives, including Trusted Internet Connection (TIC), Domain Name System Security Extensions (DNSSEC), and Compliance Monitoring. The end goal is to implement an adequate WAN to shift the Department from a reactive posture to a proactive approach that avoids system compromise and information loss to the maximum extent practicable.

Office of the Chief Information Officer - Working Capital Fund \$ 68,692

The DOT’s Working Capital Fund provides an array of services in support of the Department’s Office of the Secretary and OAs. The WCF is a full cost recovery, fee-for-service organization that normally receives no directly appropriated funds, but recovers costs through cost reimbursable and interagency service level agreements. The WCF has an obligation ceiling set by Congress which limits the amount of business the WCF may do that fiscal year.

WCF organizationally consists of two major components, personnel/facilities services, and IT shared services. The IT shared services fall organizationally and operationally under the OCIO. OCIO’s WCF IT operations are essentially an outsourced environment, consisting primarily of contractors and a small cadre of government project managers and technicians. In addition to providing the DOT Washington metro area’s campus-wide telephony, communications backbone infrastructure, and firewall security, OCIO WCF IT operations also provide a common IT operating environment, server hosting facilities, desktop management, as well as IT engineering and DOT intranet/internet support.

The following tables show the Budget Estimates, with a break out for both offices, for FY 2015, FY 2014, and FY 2013:

### FY 2015 REQUEST SUMMARY BY OFFICE

#### ASSISTANT SECRETARY FOR ADMINISTRATION

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	8,260	28,024	1,259
Travel	18	446	5
Other Costs	<u>19,142</u>	<u>431,657</u>	<u>584</u>
TOTAL	27,420	460,127 <sup>1/</sup>	1,848

1/ Of the \$460 million, \$340 million is for the Transit Benefits and Parking Program.

#### STAFFING

Direct Positions	60	0	0
Reimbursable Positions	0	219	9

#### OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	6,158	5,941	0	0
Travel	15	12	0	0
Other Costs	<u>9,933</u>	<u>62,739</u>	<u>5,000</u>	<u>0</u>
TOTAL	16,106	68,692	5,000	0

#### STAFFING

Direct Positions	41	0	0	0
Reimbursable Positions	0	40	0	0

**FY 2014 ENACTED BUDGET SUMMARY BY OFFICE****ASSISTANT SECRETARY FOR ADMINISTRATION**

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,673	27,177	1,242
Travel	17	729	5
Other Costs	<u>18,688</u>	<u>422,829</u>	<u>585</u>
TOTAL	26,378	450,735 <sup>1/</sup>	1,832

1/ Of the \$451 million, \$340 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	59	0	0
Reimbursable Positions	0	227	9

**OFFICE OF THE CHIEF INFORMATION OFFICER**

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	5,524	5,187	0	0
Travel	15	21	0	0
Other Costs	<u>10,156</u>	<u>62,539</u>	<u>4,455</u>	<u>0</u>
TOTAL	15,695	67,747	4,455	0

STAFFING

	15,695			
Direct Positions	35	0	0	0
Reimbursable Positions	0	32	0	0

The following tables show the total Working Capital Fund estimate and a break out for both offices.

### FY 2013 ACTUAL SUMMARY BY OFFICE

#### ASSISTANT SECRETARY FOR ADMINISTRATION

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,279	25,359	1,105
Travel	25	474	4
Other Costs	<u>16,833</u>	<u>394,957</u>	<u>354</u>
TOTAL	24,137	420,790 <sup>1/</sup>	1,463

1/ Of the \$420 million, \$319 million is for the Transit Benefits and Parking Program.

#### STAFFING

Direct Positions	59	0	0
Reimbursable Positions	0	224	9

#### OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries &amp; Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	5,464	5,148	0	0
Travel	15	12	0	0
Other Costs	<u>8,725</u>	<u>64,826</u>	<u>9,477</u>	<u>0</u>
TOTAL	14,204	69,986	9,477	0

#### STAFFING

Direct Positions	35	0	0	0
Reimbursable Positions	0	32	0	0

**ASSISTANT SECRETARY FOR ADMINISTRATION  
WORKING CAPITAL FUND  
FY 2015 BUDGET ESTIMATE**  
(In thousands of dollars)

Program	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
DOT Activities	102,286	110,863	119,025	8,162
Non-DOT Activities	318,504	339,872	341,102	1,230
<b>Total</b>	<b>420,790</b>	<b>450,735</b>	<b>460,127</b>	<b>9,392</b>

Staffing

Reimbursable Positions	224	227	219	(8)
Reimbursable FTE	199	219	219	0

**OFFICE OF THE CHIEF INFORMATION OFFICER  
WORKING CAPITAL FUND  
FY 2015 BUDGET ESTIMATE**  
(In thousands of dollars)

Program	FY 2013 Actual	FY 2014 Enacted	FY 2015 Request	Difference from FY 2014 Enacted
DOT Activities	69,370	67,137	68,692	1,555
Non-DOT Activities	616	610	0	(610)
<b>Total</b>	<b>69,986</b>	<b>67,747</b>	<b>68,692</b>	<b>945</b>

Staffing

Reimbursable Positions	32	32	40	8
Reimbursable FTE	25	29	33	4



The following tables display the WCF/OCIO cost estimates by Operating Administration:

**Working Capital Fund  
Operating Administration Costs  
And Other Expenses Estimate  
(\$000)**

	FY 2013 Actual			FY 2014 Enacted			FY 2015 Request		
	WCF Administration	WCF OCIO	Total	WCF Administration	WCF OCIO	Total	WCF Administration	WCF OCIO	Total
<b>Operating Administration</b>									
OST	9,149	9,757	18,906	10,304	8,681	18,984	10,519	9,924	20,443
FAA	36,688	9,487	46,174	39,696	9,946	49,642	40,484	9,764	50,248
FHWA	9,819	16,643	26,462	12,193	16,176	28,369	11,626	16,718	28,344
FRA	3,386	3,756	7,142	4,225	3,830	8,054	3,822	3,746	7,569
NHTSA	5,331	6,109	11,440	6,087	6,136	12,223	5,998	6,275	12,273
FTA	3,402	4,612	8,014	3,861	4,513	8,374	3,812	4,758	8,570
SLSDC	212	435	647	225	434	658	289	436	725
VOLPE	474	200	674	908	204	1,111	860	207	1,067
MARAD	4,097	3,784	7,881	4,792	3,774	8,566	5,096	3,897	8,993
OIG	2,697	1,147	3,844	2,970	1,148	4,118	2,892	1,167	4,059
STB	194	45	238	197	44	241	277	44	321
FMCSA	4,839	3,765	8,604	5,912	3,692	9,604	5,486	3,932	9,419
RITA	2,470	3,215	5,685	3,115	3,456	6,571	2,995	3,132	6,127
PHMSA	2,955	4,647	7,602	3,393	4,764	8,157	3,548	4,728	8,275
DOT Unspecified	3,507	5,504	9,011	1,105	5,360	6,465	6,802	4,263	11,065
<b>SUBTOTAL</b>	<b>89,219</b>	<b>73,106</b>	<b>162,325</b>	<b>98,982</b>	<b>72,156</b>	<b>171,138</b>	<b>104,506</b>	<b>72,992</b>	<b>177,498</b>
<b>Other Expenses</b>									
Capital Assets	0	6,085	6,085	91	5,405	5,496	865	5,220	6,085
Depreciation	(174)	(7,470)	(7,644)	(167)	(7,404)	(7,571)	(1,274)	(6,507)	(7,781)
Net NON-DOT Intrafund Costs	9,308	0	9,308	9,885	0	9,885	9,206	0	9,206
Net WCF Intra Fund Costs	3,933	(2,351)	1,582	2,071	(3,020)	(949)	5,721	(3,013)	2,708
<b>TOTAL</b>	<b>102,286</b>	<b>69,370</b>	<b>171,656</b>	<b>110,862</b>	<b>67,137</b>	<b>178,000</b>	<b>119,025</b>	<b>68,692</b>	<b>187,717</b>

**Note: Totals may not add due to rounding**

**Crosswalk of DOT Operating Costs/Expenses**

The WCF is a fee-for-service operation which normally receives no direct appropriations. Instead, the WCF is a self-sustaining reimbursable fund. During the budget formulation stage, the WCF provides to its customers operating cost estimates they will need to contribute to the WCF. These estimates are based on historical data and projected on-demand service levels. The preceding chart is a summary of the DOT operating cost estimates to our customers based on full cost recovery. These operating costs represent the costs provided to each Operating Administration during the fiscal year.

To crosswalk the DOT customer operating costs to DOT obligations, it is necessary to account for items that are (a) at the time of budget formulation were not directly attributable to a specific customer or (b) not directly collected as operating costs.

- DOT Unspecified represents costs where the scope of the work for individual customers is not yet determined and it is not possible to determine a specific billing methodology or customer base, such as for IT consolidation.
- Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve.
- Depreciation expenses are treated as a replacement reserve to enable capital assets to be refreshed on a regular cycle. These assets are typically significant technology investments, such as networking and telecommunications equipment that have a useful life of two or more years.
- Net Non DOT Intra Fund Costs provide support services to NON-DOT programs that are not reflected in the DOT cost numbers
- Net WCF Intra Fund Costs are the indirect expenses shared between WCF programs.

<b>Customer Operating Costs:</b>	<i><b>FY 2015</b></i> <b>(\$000)</b>
DOT Customer Total	166,433
DOT Unspecified	11,065
	177,498
Capital Assets	6,085
Depreciation	(6,681)
Net Non-DOT Intra Fund Costs	9,206
Net WCF Intra Fund Costs	1,608
<b>Total WCF Obligations</b>	<b>187,717</b>

**The DOT unspecified amounts** in FY 2015 relate primarily to on-demand services such as facility services, personnel services, and the phased implementation of IT field consolidation and enterprise license consolidations. These services are subject to fluctuations in customer demand. A breakout of these amounts is provided in the following chart:

Service	Amount (\$000)	Reason
Facilities Services & Utilities	\$203	Potential Increased Customer Base (Personal Property) and undetermined customer work (Facilities Services)
Parking Management & Transit Benefits	\$5,525	Potential increased field use of Transit Benefits
Security Operations	\$1,074	Possible increased workload in security for re-investigations and PIV card issuance, and DSX Access Control System costs.
Desktop Services	\$3,648	Changes in Customer Demand
Voice, Cable & Wireless	\$615	Changes in Customer Demand
<b>Total</b>	<b>\$11,065</b>	

Capital Asset obligations will be expensed over the expected life of the asset and collected in the future as asset replacement reserve. A breakout of these amounts being purchased is provided in the following chart:

Program Area	Asset Description	Budgeted Asset Value (\$000)	Useful Life (Months)
Building Security	Physical Access Control System (FAA)	\$ 865	60
Information Assurance & Privacy	Remedy Upgrade	\$ 270	48
Campus Area Network	Infrastructure Optimization and Security	\$ 1,550	36
Server & Messaging Services	Server Hosting/Infrastructure Build-out	\$ 2,000	48
Server & Messaging Services	Messaging Enhancements	\$ 400	48
Server & Messaging Services	Google Search Appliance	\$ 250	24
Voice, Cable & Wireless	Additional Telecomm Infrastructure	\$ 750	36
	<b>Total FY 2015 Assets</b>	<b>\$ 6,085</b>	

The following tables show WCF obligations by business line:

<b>FY 2015 REQUEST</b>			
<b>WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)</b>			
<b><u>Description</u></b>	<b><u>DOT</u></b>	<b><u>Non-DOT</u></b>	<b><u>2015 Total</u></b>
	<b><u>Obligations</u></b>	<b><u>Obligations</u></b>	
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	4,930	0	4,930
Building Security	15,764	0	15,764
Commercial Services Management	65	0	65
Consolidated Federal Funds	0	0	0
Copier, Printing & Multimedia	7,167	15	7,182
Disability Resource Center	2,245	280	2,525
Dockets Management and Operations	1,816	301	2,117
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,924	349	11,273
Federal Acquisitions Reporting Systems	500	0	500
Federal Laboratory Consortium	26	0	26
COOP Facility	884	0	884
Financial Mgmt, Accting & Admin	7,191	0	7,191
Flexible Spending Account	363	0	363
Human Resource Services	6,008	50	6,058
Human Resource Systems	19,451	0	19,451
Library & Information Services	1,235	0	1,235
Mail Services & Postage	3,597	0	3,597
Publications Distribution	0	0	0
Rent & Space Management	8,534	0	8,534
Security Operations	5,920	0	5,920
Substance Abuse Awareness & Testing	2,969	3,333	6,302
Transit Benefits & Parking	11,427	336,775	348,202
Unemployment Compensation	2,009	0	2,009
Warehouse	1,306	0	1,306
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>119,025</u></b>	<b><u>341,102</u></b>	<b><u>460,127</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,550	0	6,550
Desktop Services	18,091	0	18,091
Information Assurance & Privacy	14,890	0	14,890
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	14,260	0	14,260
Voice, Cable & Wireless	13,276	0	13,276
<b>Chief Information Office Subtotal:</b>	<b><u>68,692</u></b>	<b><u>0</u></b>	<b><u>68,692</u></b>
<b>Grand Total:</b>	<b><u>187,717</u></b>	<b><u>341,102</u></b>	<b><u>528,819</u></b>

**FY 2014 ENACTED**  
**WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2014 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	5,260	0	5,260
Building Security	13,118	0	13,118
Commercial Services Management	65	0	65
Consolidated Federal Funds	0	0	0
Copier, Printing & Multimedia	8,382	15	8,397
Disability Resource Center	2,268	280	2,548
Dockets Management and Operations	2,081	249	2,330
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,691	346	11,037
Federal Acquisitions Reporting Systems	500	0	500
Federal Laboratory Consortium	26	0	26
COOP Facility	905	0	905
Financial Mgmt, Accting & Admin	6,821	0	6,821
Flexible Spending Account	363	0	363
Human Resource Services	6,693	51	6,744
Human Resource Systems	18,662	0	18,662
Library & Information Services	1,192	0	1,192
Mail Services & Postage	3,507	0	3,507
Publications Distribution	0	0	0
Rent & Space Management	9,300	0	9,300
Security Operations	5,821	0	5,821
Substance Abuse Awareness & Testing	1,902	4,443	6,345
Transit Benefits & Parking	5,903	334,489	340,392
Unemployment Compensation	2,000	0	2,000
Warehouse	710	0	710
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>110,863</u></b>	<b><u>339,872</u></b>	<b><u>450,735</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,731	0	6,731
Desktop Services	18,242	0	18,242
Information Assurance & Privacy	14,857	0	14,857
Enterprise Licenses	1,625	0	1,625
Server & Messaging Services	13,981	0	13,981
Voice, Cable & Wireless	11,701	610	12,311
<b>Chief Information Office Subtotal:</b>	<b><u>67,137</u></b>	<b><u>610</u></b>	<b><u>67,747</u></b>
<b>Grand Total:</b>	<b><u>178,000</u></b>	<b><u>340,482</u></b>	<b><u>518,482</u></b>

**FY 2013 ACTUAL**  
**WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT</u> <u>Obligations</u>	<u>Non-DOT</u> <u>Obligations</u>	<u>2013 Total</u>
<b>Assistant Secretary for Administration</b>			
Acquisition & Procurement Operations	2,840	0	2,840
Building Security	13,378	0	13,378
Commercial Services Management	65	0	65
Consolidated Federal Funds	0	0	0
Copier, Printing & Multimedia	8,086	30	8,116
Disability Resource Center	2,217	290	2,507
Dockets Management and Operations	1,908	206	2,114
E-Gov Initiative	1,804	0	1,804
Facilities Services & Utilities	10,883	360	11,243
Federal Acquisitions Reporting Systems	247	0	247
Federal Laboratory Consortium	26	0	26
COOP Facility	880	0	880
Financial Mgmt, Accting & Admin	7,407	0	7,407
Flexible Spending Account	65	0	65
Human Resource Services	5,890	44	5,934
Human Resource Systems	18,709	0	18,709
Library & Information Services	1,165	0	1,165
Mail Services & Postage	3,359	0	3,359
Publications Distribution	0	0	0
Rent & Space Management	8,827	0	8,827
Security Operations	4,750	0	4,750
Substance Abuse Awareness & Testing	1,908	4,381	6,289
Transit Benefits & Parking	5,140	313,193	318,333
Unemployment Compensation	2,009	0	2,009
Warehouse	723	0	723
<b>Assistant Secretary for Admin Subtotal:</b>	<b><u>102,286</u></b>	<b><u>318,504</u></b>	<b><u>420,790</u></b>
<b>Chief Information Officer</b>			
Campus Area Network	6,310	0	6,310
Desktop Services	19,545	0	19,545
Information Assurance & Privacy	15,008	0	15,008
OCIO New Initiatives	1,625	0	1,625
Server & Messaging Services	14,921	0	14,921
Voice, Cable & Wireless	11,961	616	12,577
<b>Chief Information Office Subtotal:</b>	<b><u>69,370</u></b>	<b><u>616</u></b>	<b><u>69,986</u></b>
<b>Grand Total:</b>	<b><u>171,656</u></b>	<b><u>319,120</u></b>	<b><u>490,776</u></b>