

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

FY 2016 OST CONGRESSIONAL BUDGET JUSTIFICATION

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

OFFICE OF THE SECRETARY

OVERVIEW

The FY 2016 President’s Budget requests \$1.7 billion for the programs and activities of the Office of the Secretary (OST), which is \$810 million above the FY 2015 enacted funding level. The request assumes \$1.4 billion of mandatory funding, including contract authority for the TIGER grant program that previously has been funded with discretionary appropriations. It also requests \$362 million of discretionary funding, including funding for infrastructure permitting process improvements and safe transportation of energy products as well as establishment of a new Office of Safety Oversight and a new Office of the Assistant Secretary for Innovative Finance.

The FY 2016 request includes:

- \$114 million for Salaries and Expenses for the Secretarial offices. This is \$8.7 million above the FY 2015 enacted level. The most significant changes are: (1) a \$2 million increase for a new Office of the Assistant Secretary for Innovative Finance that will assume responsibility for managing the Department’s credit programs; (2) a \$1 million increase for a new Office of Safety Oversight within the Office of the Under Secretary for Policy that will have oversight over all safety-related activity in the Department’s Operating Administrations, with a particular focus on better integrating their safety activities; (3) a \$1.7 million increase related to a redirection of resources from OST-R to three other OST Offices associated with the integration of RITA into OST; (4) a \$1.4 million decrease associated with the merger of the S&E funding for the Office of Small and Disadvantaged Business Utilization with the Minority Business Outreach appropriation to establish a new Small and Disadvantaged Business Utilization and Outreach appropriation; and (8) changes associated with a number of “Adjustments to the Base” such as annualization of the estimated 1 percent pay raise for 2015; annualization of new FY 2015 positions; an estimated 1.3 percent pay raise for 2016; an estimated 1 percent inflation increase; and adjustments to GSA Rent, Working Capital Fund, FERS and FECA charges where applicable.
- \$14.6 million for Research and Technology activities to be administered by the Office of the Assistant Secretary for Research and Technology (OST-R), \$1.6 million above the FY 2015 enacted level. This increase is the net of the following: (1) a \$1.7 million decrease related to a redirection of resources from OST-R to three other OST offices, within the Salaries and Expenses appropriation, associated with the integration of RITA into OST; (2) a \$1.5 million increase to shift the cost of administrative positions from the Highway Trust Fund/Bureau of Transportation Statistics to the Research and Technology account in order to achieve a 60 percent/40 percent allocation of the cost of these positions between the Highway Trust Fund and the General Fund; (3) a \$1.7 million increase to shift a larger portion of Working Capital Fund, rent, and contractual services costs from the Highway Trust Fund to the Research and Technology account so as to achieve a more appropriate split of the total OST-R cost for these items. The FY 2016 Research and Technology request also includes funding for the following program activities: Research and Technology Coordination, Alternative Energy Research and Development, Nationwide Differential Global Positioning System, and Positioning, Navigation and Timing programs. In addition, the GROW AMERICA surface

transportation proposal includes \$29 million for the Bureau of Transportation Statistics, which is housed within OST-R, as well as \$82 million for the University Transportation Centers grant program, which is administered by OST-R.

- \$5 million for Financial Management Capital, the same as the FY 2015 enacted level, to complete the final phase of its modernization initiative through the deployment of a new reporting solution.
- \$9.7 million for the Departmental Office of Civil Rights to support and advance internal and external civil rights initiatives, administer Federal civil rights statutes, and investigate EEO complaints. This request is \$0.1 million over the FY 2015 enacted level.
- \$4.5 million is requested for the activities of the Office of Small and Disadvantaged Business Utilization (OSDBU). This reflects the merger of \$1.4 million previously included within the Salaries and Expenses appropriation and the \$3.1 million Minority Business Outreach appropriation, both of which are administered by OSDBU, into a new Small and disadvantaged Business Utilization and Outreach appropriation
- \$1.0 million is requested for the Minority Business Resource Center (MRBC) Loan Guarantee Program which is the same as the FY 2015 enacted level. This program is also administered by OSDBU.
- \$10 million for the Department’s Transportation Planning, Research and Development program. This funding is requested for activities and studies to support the Secretary’s responsibilities in the formulation of national transportation policy. The FY 2016 President’s Budget includes \$1 million for resilience planning technical assistance to provide assistance for incorporating climate resilience into State, local, and tribal community plans and \$0.5 million to study future trends in shale development.
- \$4 million for the Interagency Infrastructure Permitting Improvement Center (IIPIC) to focus on reducing infrastructure permitting and review timelines by producing a faster, more efficient process with better, measurable outcomes. The President’s Budget also includes appropriations language allowing for the transfer of additional funding from the other agencies to OST.
- \$9 million for U.S. Digital Services, to fund the cost of hiring digital service experts from outside the Government to form a digital service team to focus on transforming the Department’s digital services with the greatest impact on citizens and businesses so they are easier to use and more cost-effective to build and maintain.
- \$3 million for DATA Act Compliance, to assist the Department in meeting the requirements of the Digital Accountability and Transparency Act of 2014 (DATA Act), which include establishing and implementing Government-wide data standards for financial data to provide consistent, reliable, and searchable data for easy public consumption.
- \$1.25 billion of mandatory contract authority for the TIGER Grants Program, \$750 million above the FY 2015 enacted level, which is included in the Administration’s

GROW AMERICA surface transportation reauthorization proposal for the TIGER grant program. The program will continue to fund infrastructure projects of national and regional significance, planning grants, and award and oversight expenses. Included in the President's Budget is a \$1.25 billion obligation limitation on the TIGER grant program as well as a \$1.25 billion liquidating cash appropriation.

- \$8 million for Cyber Security Initiatives, \$3 million above the FY 2015 enacted level, to continue: improvements to the Department's cyber security posture; planned security enhancements to the Department's infrastructure; planned upgrades to DOT's Wide Area Network; and maintenance and operation of the Department's Continuous Monitoring solution.
- \$5 million for Safe Transportation of Energy Products to support the oversight and coordination of multi-modal prevention and response activities associated with the safe transportation of energy products. Additional funding for operational activities is included in the FY 2016 requests for the Federal Railroad Administration, Pipeline and Hazardous Materials Administration and Federal Motor Carrier Safety Administration.
- A \$283 million program level for the Essential Air Service (EAS) program, including \$108 million of mandatory resources from overflight fees collected by the Federal Aviation Administration and a \$175 million discretionary appropriation. The Essential Air Service program provides subsidized scheduled air service to approximately 160 communities, including 43 in Alaska.

The Office of the Secretary (OST) provides executive direction to all organizational components of the Department of Transportation. OST resources support all strategic goals and objectives, providing overall organization management to improve agency performance.

Exhibit I

U.S. Department of Transportation

Office of the Secretary – Direct Positions/FTEs

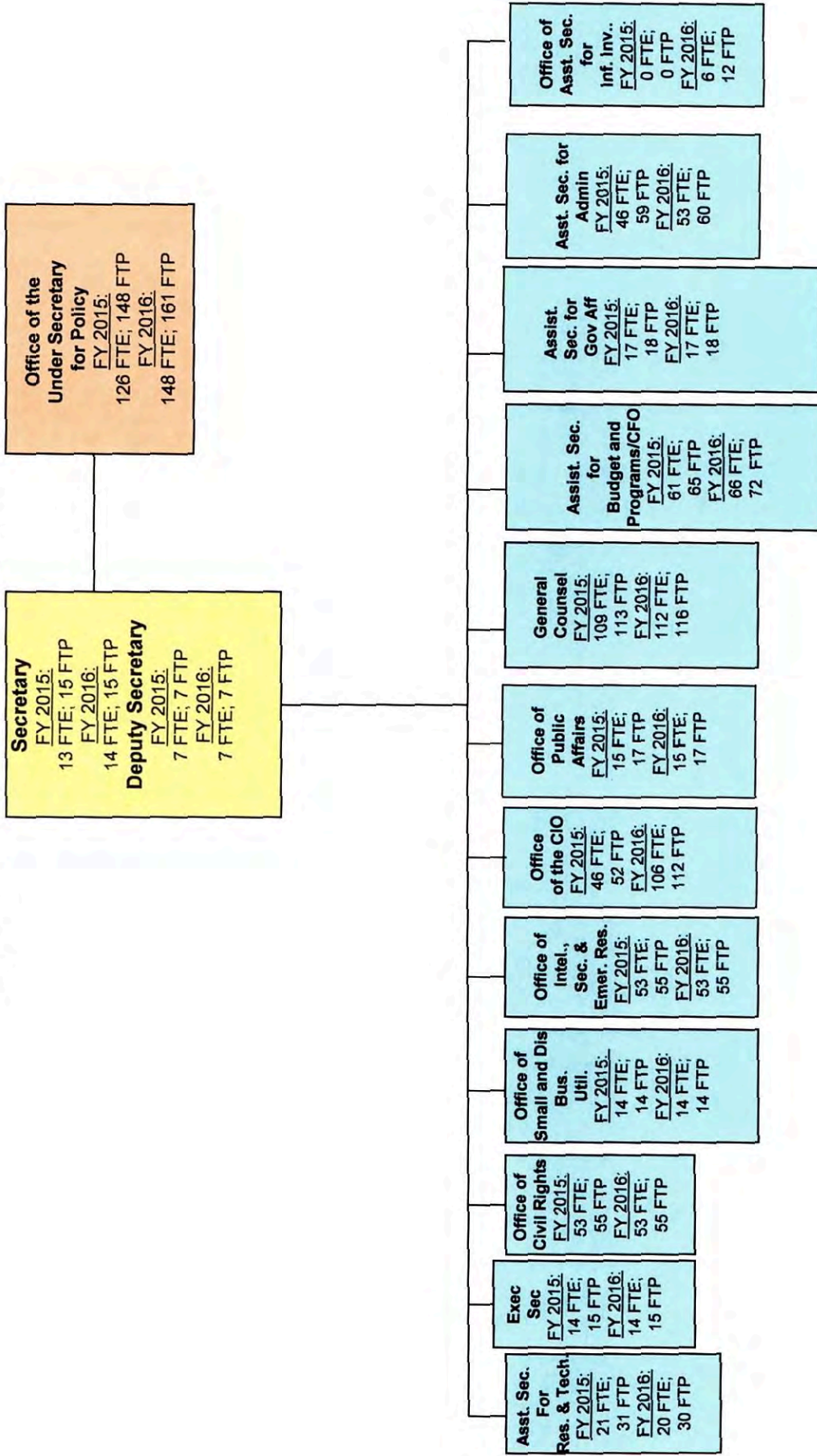


EXHIBIT II - 1
FY 2016 COMPARATIVE STATEMENT OF NEW BUDGET AUTHORITY
OFFICE OF THE SECRETARY OF TRANSPORTATION

(\$000)

<u>ACCOUNTS</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 REQUEST</u>
<u>SALARIES & EXPENSES</u>	107,000	105,000	113,657
Office of the Secretary (S-1)	2,652	2,696	2,734
Office of the Deputy Secretary (S-2)	1,000	1,011	1,025
Office of the Under Secretary for Transportation Policy (S-3)	10,271	9,800	11,796
Office of the Executive Secretariat (S-10)	1,714	1,714	1,769
Office of Small and Disadvantaged Business Utilization (S-40)	1,386	1,414	0 ^{1/}
Office of Intelligence and Security and Emergency Response (S-60)	10,778	10,600	10,793
Office of the Chief Information Officer (S-80)	15,695	15,500	16,880
Office of Public Affairs (A)	2,020	2,000	2,029
Office of the Chief Financial Officer and Assistant Secretary for Budget and Programs (B)	12,676	12,500	13,867
Office of the General Counsel (C)	19,900	19,900	20,609
Office of the Assistant Secretary for Governmental Affairs (I)	2,530	2,500	2,546
Office of the Assistant Secretary for Administration (M)	26,378	25,365	27,611
Office of the Assistant Secretary for Innovative Finance	0	0	2,000
<u>SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)</u>	[5,000]	[5,500]	[0]
<u>FINANCIAL MANAGEMENT CAPITAL</u>	7,000	5,000	5,000
<u>OFFICE OF CIVIL RIGHTS</u>	9,551	9,600	9,678
<u>SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH (formally MINORITY BUSINESS OUTREACH)</u>	3,088	3,099	4,518
<u>TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT</u>	7,000	6,000	10,019
<u>TRANSP. PLANNING, RESEARCH & DEV. (CANCELLATION OF UNOBLIGATED BALANCES)</u>	-2,750	0	0
<u>TIGER GRANTS PROGRAM (NII) (Discretionary)</u>	600,000	500,000	0
<u>TIGER GRANTS PROGRAM (NII) (Mandatory) [Obligation Limitation]</u>	[\$0,000]	[\$0,000]	[\$1,250,000]
<u>TIGER GRANTS PROGRAM (NII) (Mandatory) [Liquidating Cash]</u>	[\$0,000]	[\$0,000]	[\$1,250,000]
<u>INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER (IIPIC)</u>	0	0	4,000
<u>U.S. DIGITAL SERVICES</u>	0	0	9,000
<u>DATA ACT COMPLIANCE</u>	0	0	3,000
<u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u>	925	925	933
Minority Business Resource Center Program - Discretionary	925	925	933
Guaranteed Loan Subsidy	333	333	336
Administrative Expenses	592	592	597
MBRC Guaranteed Loan Subsidy Reestimate - Mandatory	0	0	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	0 ^{2/}
<u>CYBER SECURITY INITIATIVES</u>	4,455	5,000	8,000
<u>RESEARCH AND TECHNOLOGY</u>	14,765	13,000	14,582
<u>SAFE TRANSPORTATION OF ENERGY PRODUCTS</u>	0	0	5,000
<u>WORKING CAPITAL FUND (Obligation Limitation)</u>	[178,000]	[181,500]	[0,000]
<u>ESSENTIAL AIR SERVICE PROGRAM:</u>	149,000	155,000	175,000
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	149,000	155,000	175,000
Essential Air Service - Mandatory	0	0	0
GRAND TOTAL	900,034	802,624	362,388
Appropriations - Budget Authority	902,784	802,624	362,388
Rescissions and Cancellations	-2,750	0	0

^{1/} Merged into the new Small and Disadvantaged Business Utilization & Outreach Account

^{2/} No limitation is proposed. The amount of loans guaranteed will be determined by the amount of subsidy funding enacted.

EXHIBIT II - 2
FY 2016 TOTAL BUDGETARY RESOURCES BY APPROPRIATION ACCOUNT
OFFICE OF THE SECRETARY of TRANSPORTATION
Appropriations, Obligation Limitations, and Exempt Obligations, and Mandatory EAS

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<u>ACCOUNTS</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 BASELINE ESTIMATES</u>	<u>FY 2016 PROGRAM CHANGES</u>	<u>FY 2016 REDIRECTION OF RESOURCES</u>	<u>FY 2016 REQUEST</u>
<u>SALARIES & EXPENSES</u>	107,000	105,000	105,878	7,471	308	113,657
Office of the Secretary (S-1)	2,652	2,696	2,736	-2	0	2,734
Office of the Deputy Secretary (S-2)	1,000	1,011	1,025	0	0	1,025
Office of the Under Secretary for Transportation Policy (S-3)	10,271	9,800	9,941	1,854	0	11,796
Office of the Executive Secretariat (S-10)	1,714	1,714	1,737	32	0	1,769
Office of Small and Disadvantaged Business Utilization (S-40)	1,386	1,414	1,434	0	-1,434	0 ^{1/}
Office of Intelligence and Security and Emergency Response (S-60)	10,778	10,600	10,796	-4	0	10,793
Office of the Chief Information Officer (S-80)	15,695	15,500	15,584	600	696	16,880
Office of Public Affairs (A)	2,020	2,000	2,029	-1	0	2,029
Office of the Chief Financial Officer and Assistant Secretary for Budget and Programs (B)	12,676	12,500	12,819	544	504	13,867
Office of the General Counsel (C)	19,900	19,900	20,070	-4	543	20,609
Office of the Assistant Secretary for Governmental Affairs (I)	2,530	2,500	2,547	-1	0	2,546
Office of the Assistant Secretary for Administration (M)	26,378	25,365	25,158	2,453	0	27,611
Office of the Assistant Secretary for Innovative Finance	0	0	0	2,000	0	2,000
<u>SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)</u>	[5,000]	[5,500]	[5,512]	[-5,512]	[0]	[0]
<u>FINANCIAL MANAGEMENT CAPITAL</u>	7,000	5,000	5,050	-50	0	5,000
<u>OFFICE OF CIVIL RIGHTS</u>	9,551	9,600	9,692	-14	0	9,678
<u>SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH (formally MINORITY BUSINESS OUTREACH)</u>	3,088	3,099	3,111	-27	1,434	4,518
<u>TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT</u>	7,000	6,000	5,976	4,044	0	10,019
<u>TRANSP. PLANNING, RESEARCH & DEV. (CANCELLATION OF UNOBLIGATED BALANCES)</u>	-2,750	0	0	0	0	0
<u>TIGER GRANTS PROGRAM (Discretionary) (NII)</u>	600,000	500,000	500,236	-500,236	0	0
<u>TIGER GRANTS PROGRAM (NII) (Mandatory) [Obligation Limitation]</u>	[\$0,000]	[\$0,000]	[0,000]	[\$1,250,000]	0	[\$1,250,000]
<u>TIGER GRANTS PROGRAM (NII) (Mandatory) [Liquidating Cash]</u>	[\$0,000]	[\$0,000]	[0,000]	[\$1,250,000]	0	[\$1,250,000]
<u>INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER (IIPIC)</u>	0	0	0	4,000	0	4,000
<u>U.S. DIGITAL SERVICES</u>	0	0	0	9,000	0	9,000
<u>DATA ACT COMPLIANCE</u>	0	0	0	3,000	0	3,000
<u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u>	925	925	934	-1	0	933
Minority Business Resource Center Program - Discretionary	925	925	934	-1	0	933
Guaranteed Loan Subsidy	333	333	336	0	0	336
Administrative Expenses	592	592	598	-1	0	597
MBRC Guaranteed Loan Subsidy reestimate- Mandatory	0	0	0	0	0	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]	[-18,367]	0	0 ^{2/}
<u>CYBER SECURITY INITIATIVES</u>	4,455	5,000	5,050	2,950	0	8,000
<u>RESEARCH AND TECHNOLOGY</u>	14,765	13,000	13,080	3,196	-1,694	14,582
<u>SAFE TRANSPORTATION OF ENERGY PRODUCTS</u>	0	0	0	5,000	0	5,000
<u>WORKING CAPITAL FUND (Obligation Limitation)</u>	[178,000]	[181,500]	[0,000]	[0,000]	0	[0,000]
<u>ESSENTIAL AIR SERVICE PROGRAM:</u>	267,906	263,199	263,228	20,151	0	283,379
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	149,000	155,000	155,000	20,000	0	175,000
Essential Air Service - Mandatory ^{4/}	118,906	108,199	108,228	151	0	108,379 ^{3/}
GRAND TOTAL	1,018,940	910,823	912,235	-441,517	48	470,767

^{1/} Merged into the Small and Disadvantaged Business Utilization & Outreach Account^{2/} No limitation is proposed. The amount of loans guaranteed will be determined by the amount of subsidy funding enacted.^{3/} This funding level does not reflect a mandatory sequester^{4/} Includes annual overflight fee collections and carry-over balances from the prior year

EXHIBIT II - 4
FY 2016 BUDGET AUTHORITY
OFFICE OF THE SECRETARY of TRANSPORTATION

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<u>ACCOUNTS</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 BASELINE ESTIMATES</u>	<u>FY 2016 PROGRAM CHANGES</u>	<u>FY 2016 REDIRECTION OF RESOURCES</u>	<u>FY 2016 REQUEST</u>
<u>SALARIES & EXPENSES</u>	107,000	105,000	105,878	7,471	308	113,657
Office of the Secretary (S-1)	2,652	2,696	2,736	-2	0	2,734
Office of the Deputy Secretary (S-2)	1,000	1,011	1,025	0	0	1,025
Office of the Under Secretary for Transportation Policy (S-3)	10,271	9,800	9,941	1,854	0	11,796
Office of the Executive Secretariat (S-10)	1,714	1,714	1,737	32	0	1,769
Office of Small and Disadvantaged Business Utilization (S-40)	1,386	1,414	1,434	0	-1,434	0 ^{1/}
Office of Intelligence and Security and Emergency Response (S-60)	10,778	10,600	10,796	-4	0	10,793
Office of the Chief Information Officer (S-80)	15,695	15,500	15,584	600	696	16,880
Office of Public Affairs (A)	2,020	2,000	2,029	-1	0	2,029
Office of the Chief Financial Officer and Assistant Secretary for Budget and Programs (B)	12,676	12,500	12,819	544	504	13,867
Office of the General Counsel (C)	19,900	19,900	20,070	-4	543	20,609
Office of the Assistant Secretary for Governmental Affairs (I)	2,530	2,500	2,547	-1	0	2,546
Office of the Assistant Secretary for Administration (M)	26,378	25,365	25,158	2,453	0	27,611
Office of the Assistant Secretary for Innovative Finance	0	0	0	2,000	0	2,000
<u>SMALL COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)</u>	[5,000]	[5,500]	[5,512]	[-5,512]	[0]	[0]
<u>FINANCIAL MANAGEMENT CAPITAL</u>	7,000	5,000	5,050	-50	0	5,000
<u>OFFICE OF CIVIL RIGHTS</u>	9,551	9,600	9,692	-14	0	9,678
<u>SMALL & DISADVANTAGED BUS. UTIL. & OUTREACH (formally MINORITY BUSINESS OUTREACH)</u>	3,088	3,099	3,111	-27	1,434	4,518
<u>TRANSPORTATION PLANNING, RESEARCH & DEVELOPMENT</u>	7,000	6,000	5,976	4,044	0	10,019
<u>TRANSP. PLANNING, RESEARCH & DEV. (CANCELLATION OF UNOBLIGATED BALANCES)</u>	-2,750	0	0	0	0	0
<u>TIGER GRANTS PROGRAM (NII) (Discretionary)</u>	0	0	0	0	0	0
<u>TIGER GRANTS PROGRAM (NII) (Mandatory)</u>	600,000	500,000	500,236	749,764	0	1,250,000
<u>INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER (IIPIC)</u>	0	0	0	4,000	0	4,000
<u>U.S. DIGITAL SERVICES</u>	0	0	0	9,000	0	9,000
<u>DATA ACT COMPLIANCE</u>	0	0	0	3,000	0	3,000
<u>MINORITY BUSINESS RESOURCE CENTER PROGRAM (MBRC)</u>	950	1,081	934	-1	0	933
Minority Business Resource Center Program - Discretionary	925	925	934	-1	0	933
Guaranteed Loan Subsidy	333	333	336	0	0	336
Administrative Expenses	592	592	598	-1	0	597
MBRC Guaranteed Loan Subsidy reestimate- Mandatory	25	156	0	0	0	0
(Limitation on guaranteed loans)	[18,367]	[18,367]	[18,367]	[-18,367]	0	0 ^{2/}
<u>CYBER SECURITY INITIATIVES</u>	4,455	5,000	5,050	2,950	0	8,000
<u>RESEARCH AND TECHNOLOGY</u>	14,765	13,000	13,080	3,196	-1,694	14,582
<u>SAFE TRANSPORTATION OF ENERGY PRODUCTS</u>	0	0	0	5,000	0	5,000
<u>WORKING CAPITAL FUND (Obligation Limitation)</u>	[178,000]	[181,500]	[0,000]	[0,000]	0	[0,000]
<u>ESSENTIAL AIR SERVICE PROGRAM</u>	267,906	263,199	263,228	20,151	0	283,379
Payments to Air Carriers (<i>Airport & Airway Trust Fund</i>) - Discretionary	149,000	155,000	155,000	20,000	0	175,000
Essential Air Service - Mandatory ^{4/}	118,906	108,199	108,228	151	0	108,379 ^{3/}
GRAND TOTAL	1,018,965	910,979	912,235	808,483	48	1,720,767
[Mandatory]	718,931	608,355	608,464	749,915	0	1,358,379
[Discretionary]	300,034	302,624	303,771	58,568	48	362,388

PROPRIETARY AND OTHER GOVERNMENTAL RECEIPTS:

MBRC Guaranteed Loans Downward Subsidy Reestimate

^{1/} Merged into the Small and Disadvantaged Business Utilization & Outreach Account^{2/} No limitation is proposed. The amount of loans guaranteed will be determined by the amount of subsidy funding enacted.

EXHIBIT II-5
FY 2016 OUTLAYS
OFFICE OF THE SECRETARY of TRANSPORTATION
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<u>ACCOUNTS</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 REQUEST</u>
Salaries & Expenses	94,126	138,608	112,791
Surface Transportation Discretionary Grants (ARRA)	89,938	179,311	7,809
Financial Management Capital	12,364	7,964	5,000
Office of Civil Rights	8,636	10,301	9,670
Small & Disadv. Bus. Util. and Outreach (formally Minority Business Outreach)	3,230	11,764	3,098
Interagency Infrastructure Permitting Improvement Center (IIPIC)	0	0	3,600
U.S. Digital Services	0	0	8,100
Data Act Compliance	0	0	1,800
Transportation Planning, Research & Development	9,509	14,258	7,258
TIGER Grants Program (NII) (Discretionary)	0	0	0
New Headquarters Building	634	1,506	0
MBRC Program (loan subsidy & admin)	111	0	0
Cyber Security Initiatives	9,667	4,411	1,500
Research & Technology	14,911	36,545	14,547
Safe Transportation of Energy Products	0	0	3,000
Payments to Air Carriers	141,508	138,422	167,001
VOLPE National Transportation Systems Center	6,510	154,053	0
Working Capital Fund	-738	50,520	-288
Subtotal, Discretionary	390,407	747,662	344,885
<i>MBRC Guaranteed Loan Subsidy Upward Reestimate [mandatory]</i>	25	156	0
<i>Essential Air Service & Rural Airport Funding [mandatory]</i>	71,195	131,019	103,887
<i>TIGER Grants Program (NII)(Mandatory)</i>	413,919	464,459	515,575
Subtotal, Mandatory	485,139	595,634	619,462
Grand Total	875,545	1,343,296	964,347

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 2015 Enacted	Baseline Changes							FY 2016 Baseline Estimate	Program Increases/Decreases	Redirection of Resources	FY 2016 Request
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs				
PERSONNEL RESOURCES												
Direct Positions	510	0	0	0	0	0	0	0	33	6	549	
FTEs	461.00	0.00	3.00	0.00	0.00	0.00	0.00	0.00	33.00	9.50	506.50	
Reimbursable Positions	31	0	0	0	0	0	0	0	0	0	31	
FTEs	27.50	0.00	0.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.00	
FINANCIAL RESOURCES												
ADMINISTRATIVE EXPENSES												
Salaries and Benefits	69,393,337	173,336	251,500	266,312	657,790	0.000	-66,239	33,151	5,558,240	375,059	76,642,486	
- WCF Non-Add (Transit Benefits)	(310,703)	0.000	0.000	0.000	0.000	0.000	56,352	0.000	0.000	6,650	(247,701)	
Travel	1,310,825	0.000	0.000	0.000	0.000	0.000	0.000	0.000	72,892	0.000	1,396,825	
Transportation	3,045	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,075	
GSA Rent	9,151,369	0.000	0.000	0.000	0.000	67,927	0.000	0.000	0.000	0.000	9,310,810	
Communications and Utilities	138,626	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	140,012	
Printing and Reproduction	303,277	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-0.003	0.000	306,307	
Other Services:												
- Working Capital Fund	16,336,974	0.000	0.000	0.000	0.000	0.000	-698,583	0.000	0.000	-14,669	15,623,722	
- Other Contractual Services	8,075,824	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,795,976	-52,498	9,900,060	
- 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	259,937	0.000	0.000	0.000	0.000	0.000	0.000	0.000	19,334	0.000	281,870	
Equipment	26,786	0.000	0.000	0.000	0.000	0.000	0.000	0.000	24,864	0.000	51,918	
Administrative Subtotal	105,000,000	173,336	251,500	266,312	657,790	67,927	-764,822	33,151	7,471,302	307,892	113,657,065	
PROGRAM EXPENSES												
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	
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
TOTAL	105,000,000	173,336	251,500	266,312	657,790	67,927	-764,822	33,151	7,471,302	307,892	113,657,065	

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

FY 2015 EXHIBIT II-6 - SCASDP

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions FTEs	4	0	0	0	0	0	0	0	0	0	0	0	0	4	4
Reimbursable Positions FTEs	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00
	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (non-add)	480,110	1,193	0,000	1,834	4,530	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	487,668	0,000
Travel	(2,599)	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	-2,599	0,000
Transportation	4,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	4,000	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	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	0,000	0,000	0,000	0,000
Printing and Reproduction	25,250	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	25,250	0,000
Other Services:	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
- Working Capital Fund	85,327	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	85,327	0,000
- Other Contractual Services	405,313	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	409,366	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	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	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	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	0,000	0,000	0,000	0,000
Administrative Subtotal	1,000,000	1,193	0,000	1,834	4,530	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	1,011,863	0,000
PROGRAM EXPENSES															
Grants (SCASDP)	4,500,000													4,500,000	0,000
None														0,000	0,000
None														0,000	0,000
None														0,000	0,000
Program Subtotal	4,500,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	4,500,000	0,000
TOTAL	5,500,000	1,193	0,000	1,834	4,530	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	5,511,863	0,000

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

FINANCIAL MANAGEMENT CAPITAL

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	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	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	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	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	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	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	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	0.000	0.000	0.000	0.000
- Other Contractual Services	5,000.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	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	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	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	0.000	0.000	0.000	0.000
Administrative Subtotal	5,000.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,000.000
PROGRAM EXPENSES															
None															
None															
None															
None															
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	5,000.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,000.000

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 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/ Decreases	FY 2016 Request		
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%							
PERSONNEL RESOURCES																
Direct Positions	55	0	0	0	0	0	0	0	0	0	0	0	0	55	0	55
FTEs	53.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	53.00	0.00	53.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES																
ADMINISTRATIVE EXPENSES																
Salaries and Benefits (Transit Benefits) (non-add)	6,207,200	15,435	0,000	23,714	58,575	0,000	-8,757	2,733	0,000	0,000	0,000	0,000	0,000	6,298,900	0,000	6,298,900
Travel	(33,197)	0,000	0,000	0,000	0,000	0,000	7,659	0,000	0,000	0,000	0,000	0,000	0,000	(25,538)	0,000	(25,538)
Transportation	48,278	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	48,278	-0,483	48,278
GSA Rent	0,000	0,000	0,000	0,000	0,000	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	0,000	0,000	0,000	0,000	0,000
Printing and Reproduction	29,022	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	29,313	0,000	29,313
Other Services:	10,712	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	10,819	0,000	10,819
- Working Capital Fund	904,679	0,000	0,000	0,000	0,000	0,000	-24,445	0,000	0,000	0,000	0,000	0,000	0,000	880,234	0,000	880,234
- Other Contractual Services	2,349,608	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	2,373,104	-13,654	2,359,450
- Administrative Fees	0,000	0,000	0,000	0,000	0,000	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	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	0,000	0,000	0,000	0,000	0,000	51,006	0,000	51,006
Equipment	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Administrative Subtotal	9,600,000	15,435	0,000	23,714	58,575	0,000	-33,202	2,733	0,000	0,000	0,000	0,000	24,881	9,692,137	-14,137	9,678,000
PROGRAM EXPENSES																
None	0,000	0,000	0,000	0,000	0,000	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	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	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	0,000	0,000	0,000	0,000	0,000
Program Subtotal	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
TOTAL	9,600,000	15,435	0,000	23,714	58,575	0,000	-33,202	2,733	0,000	0,000	0,000	0,000	24,881	9,692,137	-14,137	9,678,000

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

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH (formerly Minority Business Outreach)

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	Redirection of Resources	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%							
PERSONNEL RESOURCES																
Direct Positions	4	0	0	0	0	0	0	0	0	0	0	0	0	0	9	13
FTEs	4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	13.00	
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FINANCIAL RESOURCES																
ADMINISTRATIVE EXPENSES																
Salaries and Benefits (Transit Benefits) (non-add)	583,411	1,458	0,000	2,240	5,533	0,000	0,000	0,000	0,195	0,000	0,000	0,000	0,000	0,000	1,367,018	1,959,854
Travel	19,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,190	0,000	(6,650)	(6,650)
Transportation	0,000	0,000	0,000	0,000	0,000	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	0,000	0,000	0,000	0,000	0,000
Communications and Utilities	0,508	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,005	0,000	0,513	0,513
Printing and Reproduction	3,197	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,032	0,000	3,229	3,229
Other Services:																
- Working Capital Fund	61,167	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	14,669	72,747
- Other Contractual Services	481,309	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	4,813	52,498	512,033	
- Administrative Fees	0,000	0,000	0,000	0,000	0,000	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	0,000	0,000	0,000	0,000	0,000
Supplies and Materials	21,515	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,215	0,000	21,730	21,730
Equipment	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000
Administrative Subtotal	1,169,849	1,458	0,000	2,240	5,533	0,000	0,000	0,000	0,195	-3,089	0,000	0,000	5,255	-26,777	1,434,185	2,588,849
PROGRAM EXPENSES																
MBO Cooperative Agreements	1,929,151															1,929,151
None																0,000
None																0,000
None																0,000
Program Subtotal	1,929,151	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	0,000	1,929,151
TOTAL	3,099,000	1,458	0,000	2,240	5,533	0,000	0,000	0,000	0,195	-3,089	0,000	0,000	5,255	-26,777	1,434,185	4,518,000

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 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	33	0	0	0	0	0	0	0	0	0	0	0	0	33	
FTEs	27.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5.00	32.00	
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (non-add)	4,802,883	11,947	0.000	18,357	45,342	0.000	0.000	-1,261	2,214	0.000	0.000	0.000	716,000	5,595,482	
Travel	(23,624)	0.000	0.000	0.000	0.000	0.000	0.000	1,261	0.000	0.000	0.000	0.000	0.000	(22,363)	
Transportation	154,809	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	156,357	
GSA Rent	1,030	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,041	
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	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	0.000	0.000	0.000	
Other Services:	19,938	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,137	
- Working Capital Fund	708,493	0.000	0.000	0.000	0.000	0.000	0.000	-105,749	0.000	0.000	0.000	0.000	0.000	602,744	
- Other Contractual Services	276,782	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,327,610	3,607,160	
- Administrative Fees	0.000	0.000	0.000	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	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	0.000	0.000	0.000	0.000	0.000	20,711	
Equipment	15,559	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	15,714	
Administrative Subtotal	6,000,000	11,947	0.000	18,357	45,342	0.000	0.000	-107,010	2,214	0.000	0.000	4,886	4,043,610	10,019,347	
PROGRAM EXPENSES															
None	0.000	0.000	0.000	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	
None														0.000	
None														0.000	
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
TOTAL	6,000,000	11,947	0.000	18,357	45,342	0.000	0.000	-107,010	2,214	0.000	4,886	5,975,737	4,043,610	10,019,347	

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 (Discretionary)

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request		
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%							
PERSONNEL RESOURCES																
Direct Positions	12	0	0	0	0	0	0	0	0	0	0	0	0	12	-12	0
FTEs	10.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	-10.00	0.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES																
ADMINISTRATIVE EXPENSES																
Salaries and Benefits (Transit Benefits) (non-add)	6,520,172	16,290	0.000	25,028	61,820	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6,623,310	-6,623,310	0.000
Travel	(4,108)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-4,108	4,108	0.000
Transportation	800,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	808,000	-808,000	0.000
GSA Rent	0.400	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.404	-0.404	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	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	0.000	0.000	0.000	0.000	0.000
Other Services:	10,500	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10,605	-10,605	0.000
- Working Capital Fund	191,131	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	191,131	-191,131	0.000
- Other Contractual Services	12,456,788	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	12,581,356	-12,581,356	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	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	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	0.000	0.000	0.000	0.000	0.000	21,219	-21,219	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	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	20,000,000	16,290	0.000	25,028	61,820	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,236,025	-20,236,025	0.000
PROGRAM EXPENSES																
NIJ Infrastructure Grants	480,000,000													480,000,000	-480,000,000	0.000
NIJ Planning Grants	0.000													0.000	0.000	0.000
Program Subtotal	480,000,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	480,000,000	-480,000,000	0.000
TOTAL	500,000,000	16,290	0.000	25,028	61,820	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	500,236,025	-500,236,025	0.000

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

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	12	12
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	10.00	10.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6,608.476	6,608.476
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(2,723)	(2,723)
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	800.000	800.000
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	0.000	0.000	0.400	0.400
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	0.000	0.000	0.000	0.000
Other Services:	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	10.500	10,500
- 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	0.000	0.000	184.043	184,043
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	12,375.581	12,375,581
- Subsidy	0.000	0.000	0.000	0.000	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	0.000	0.000	21.000	21,000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,000.000	20,000.000
PROGRAM EXPENSES															
Transportation Infrastructure Grants & Financing	0.000													1,195,000.000	1,195,000.000
NIJ Planning Grants	0.000													35,000.000	35,000.000
None														0.000	0.000
None														0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,230,000.000	1,230,000.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,250,000.000	1,250,000.000

EXHIBIT II-6
SUMMARY OF REQUESTED FUNDING CHANGES FROM BASE
OFFICE OF THE SECRETARY OF TRANSPORTATION
Appropriations, Obligation Limitations, and Exempt Obligations
INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER (IIPIC)

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	7	7
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4.00	4.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
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	0.000	0.000	499.822	499.822
- WCF Non-Add (Transit Benefits)	0.000	0.000	0.000	0.000	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	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	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	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	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	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	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	0.000	0.000	1,475.178	1,475.178
- Administrative Fees	0.000	0.000	0.000	0.000	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	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	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	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2,000.000	2,000.000
PROGRAM EXPENSES															
Interagency Infrastructure Permitting Improvement Center (IIPIC)	0.000													2,000.000	2,000.000
None														0.000	0.000
None														0.000	0.000
None														0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2,000.000	2,000.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	4,000.000	4,000.000

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

U.S. DIGITAL SERVICES

(\$000)

	FY 2015 Enacted	Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	Baseline Changes				FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request
					9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Charges	FERS and FEHB Costs			
PERSONNEL RESOURCES											
Direct Positions	0	0	0	0	0	0	0	0	41	41	41
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	41.00	41.00	41.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	6,677.984	6,677.984	6,677.984
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	15.000	15.000	15.000
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	2,302.006	2,302.006	2,302.006
- 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	5.000	5.000	5.000
Equipment	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9,000.000	9,000.000	9,000.000
PROGRAM EXPENSES											
None									0.000	0.000	0.000
None									0.000	0.000	0.000
None									0.000	0.000	0.000
None									0.000	0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	9,000.000	9,000.000	9,000.000

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

DATA ACT COMPLIANCE

(\$000)

	FY 2015 Enacted	Baseline Changes							FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs			
PERSONNEL RESOURCES											
Direct Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Printing and Reproduction	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Other Services:											
- 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
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES											
Data Act Compliance											
None											
None											
None											
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,000.000

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 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	1	0	0	0	0	0	0	0	0	0	0	0	0	1	
FTEs	1.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1.00	
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (Non-add)	177,973	0.444	0.000	0.683	1.686	0.000	0.000	0.000	0.000	0.000	0.000	0.119	0.000	180,904	0.000
Travel	5,151	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.052	5,203	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	0.000	0.000	0.000	-1,203
GSA Rent	0.000	0.000	0.000	0.000	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	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	0.000	0.000	0.000	0.000
Other Services:															
- Working Capital Fund	15,485	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	-0.772	0.000	0.000	0.000	14,713	0.000
- Other Contractual Services	189,171	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1.892	0.000	0.000	191,063	0.000
- Administrative Loan Fees	204,097	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	2.041	0.000	0.000	206,138	0.000
- Subsidy	333,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3.330	0.000	0.000	336,330	0.000
Supplies and Materials	0.380	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.004	0.000	0.000	0.384	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	0.000	0.000	0.000	0.000
Administrative Subtotal	925,000	0.444	0.000	0.683	1.686	0.000	0.000	0.000	0.000	-0.772	7.318	0.119	-1.203	934,478	-1,203
PROGRAM EXPENSES															
MBRC Guaranteed Loan Subsidy Restimate	0.000													0.000	0.000
None														0.000	0.000
None														0.000	0.000
None														0.000	0.000
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	925,000	0.444	0.000	0.683	1.686	0.000	0.000	0.000	0.000	-0.772	7.318	0.119	-1,203	933,275	-1,203

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 2015 Enacted	Baseline Changes							FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs			
PERSONNEL RESOURCES											
Direct Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	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	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Travel	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Transportation	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
GSA Rent	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Communications and Utilities	1,990.000	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	1,855.693	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	1,154.307	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
Administrative Subtotal	5,000.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,000.000
PROGRAM EXPENSES											
None	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
None											
None											
None											
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	5,000.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,000.000

EXHIBIT II-5
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 (GENERAL FUND) ACCOUNT
 (\$'000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	Redirection of Resources	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%							
PERSONNEL RESOURCES																
Direct Positions	31	0	0	0	0	0	0	0	0	0	0	0	0	9.0	-10	30
FTEs	21.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9.00	-10.00	20.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES																
ADMINISTRATIVE EXPENSES																
Salaries and Benefits (Transit Benefits) (non-add)	3,562,000	8,905	0.000	13,682	33,793	0.000	0.000	0.000	0.000	0.000	0.000	13,927	0.000	1,454,045	-1,694,070	3,392,282
Travel	0.000	0.000	0.000	0.000	0.000	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	0.000	0.000	0.000	0.000	0.000
GSA Rent	329,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	3,290	300,730	0.000	633,020
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	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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	1,000
Other Services:																
- Working Capital Fund	587,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	5,870	1,364,580	0.000	1,957,450
- Other Contractual Services	98,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	980	76,268	0.000	175,248
- Administrative Fees	0.000	0.000	0.000	0.000	0.000	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	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	0.000	0.000	0.000	0.000	0.000	0.000	0.000	15,000
Equipment	100,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	100,000
Administrative Subtotal	4,782,000	8,905	0.000	13,682	33,793	0.000	0.000	0.000	0.000	0.000	0.000	13,927	10,140	3,195,623	-1,694,070	6,364,000
PROGRAM EXPENSES																
Alternative Energy (previously Alternative Fuels)	499,000													0.000		499,000
RD&T Coordination	509,000													0.000		509,000
NDGPS	5,600,000													0.000		5,600,000
PNT	1,610,000													0.000		1,610,000
Program Subtotal	8,218,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	8,218,000
TOTAL	13,000,000	8,905	0.000	13,682	33,793	0.000	0.000	0.000	0.000	0.000	0.000	13,927	10,140	3,195,623	-1,694,070	14,582,000

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

(\$000)

	FY 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	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	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	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	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	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	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	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	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	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	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	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	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	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES															
Safe Transport of Energy Products															
None															
None															
None															
Program Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
TOTAL	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

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 2015 Enacted	Baseline Changes							FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs			
PERSONNEL RESOURCES											
Direct Positions	14	0	0	0	0	0	0	0	0	14	0
FTEs	13.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13.00	0.00
Reimbursable Positions	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES											
ADMINISTRATIVE EXPENSES											
Salaries and Benefits (Transit Benefits) (non-add)	2,069,326 (8,217)	5,153 0.000	0.000 0.000	7,917 0.000	19,554 0.000	0.000 0.000	-1,272 1,272	0.752 0.000	0.000 0.000	2,101,430 (6,945)	0.000 0.000
Travel	1,414	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.014	1,428	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	0.045	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.046	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	235,240	0.000	0.000	0.000	0.000	0.000	-3,739	0.000	0.000	231,501	0.000
- Other Contractual Services	15,200	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.152	15,352	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	3,045	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.030	3,075	0.000
Equipment	59,130	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.591	59,721	0.000
Administrative Subtotal	2,383,401	5,153	0.000	7,917	19,554	0.000	-5,011	0.752	0.788	2,412,554	2,285
PROGRAM EXPENSES											
Essential Air Service Subsidy	105,815,599									105,815,599	148,562
Sequester										0.000	0.000
None										0.000	0.000
None										0.000	0.000
Program Subtotal	105,815,599	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	105,815,599	148,562
TOTAL	108,199,000	5,153	0.000	7,917	19,554	0.000	-5,011	0.752	0.788	108,228,153	150,847

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 2015 Enacted	Baseline Changes										FY 2016 Baseline Estimate	Program Increases/Decreases	FY 2016 Request	
		Jan. 2015 Pay Raise 1.00%	Annualization of New FY 2015 Positions	One Extra Compensable Day 262 vs. 261	9 Months Jan. 2016 Pay Raise 1.30%	GSA Rent	WCF and FECA Changes	FERS and FEHB Costs	Inflation Increase 1.00%						
PERSONNEL RESOURCES															
Direct Positions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	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	0	0	0	0
FTEs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FINANCIAL RESOURCES															
ADMINISTRATIVE EXPENSES															
Salaries and Benefits (Transit Benefits) (non-add)	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	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	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	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	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	0.000	0.000	0.000	0.000
Other Services:	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
- Working Capital Fund	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	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	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	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	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	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	0.000	0.000	0.000	0.000
Administrative Subtotal	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
PROGRAM EXPENSES															
Essential Air Service	155,000,000													20,000,000	175,000,000
None														0.000	0.000
None														0.000	0.000
None														0.000	0.000
Program Subtotal	155,000,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,000,000	175,000,000
TOTAL	155,000,000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	20,000,000	175,000,000

EXHIBIT II-7

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

	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE
DIRECT:				
Salaries and Expenses	16,472	16,648	15,871	-776
Small Community Air Service Development Program (SCASDP)	88	88	86	-2
Office of Civil Rights	895	938	906	-32
Small & Disadv. Bus. Util. and Outreach (formally Minority Business Outreach)	60	61	79	18
Transportation, Planning, Research & Development	656	732	625	-107
TIGER Grants Program (NII)	222	195	187	-8
Interagency Infrastructure Permitting Improvement Center (IIPIC)	0	0	0	0
U.S. Digital Services	0	0	0	0
Minority Business Resource Center Program	15	15	15	-1
Research and Technology	1,308	587	1,957	1,370
Essential Air Service	238	243	238	-5
SUBTOTAL, DIRECT	19,954	19,508	19,965	457
REIMBURSABLE:				
Salaries and Expenses	331	331	310	-21
Research and Technology	964	964	724	-240
Volpe	1,111	1,111	1,122	11
SUBTOTAL, REIMBURSABLES	2,406	2,406	2,155	-250
ALLOCATIONS/OTHER				
Bureau of Transportation Statistics	4,227	4,435	2,936	-1,499
TOTAL	26,588	26,348	25,057	-1,292

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

<u>DIRECT FUNDED BY APPROPRIATION</u>	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
Salaries and Expenses 1/	394	465	511
Office of Civil Rights	39	53	53
Small & Disadv. Bus. Util. and Outreach (formally Minority Business Outreach)	3	4	13
Transportation Planning, Research and Development	26	27	32
TIGER Grants Program (NII)	6	10	10
Interagency Infrastructure Permitting Improvement Center (IIPIC)	0	0	4
U.S. Digital Services	0	0	41
Minority Business Resource Center Program	0	1	1
Research and Technology	27	21	20
Essential Air Service	13	13	13
SUBTOTAL, DIRECT FUNDED	508	594	698
<u>REIMBURSABLE</u>			
Salaries and Expenses	15	28	28
Research and Technology	40	50	50
Volpe Working Capital Fund	548	532	532
Working Capital Fund	223	282	350
SUBTOTAL, REIMBURSABLE	826	892	960
<u>ALLOCATIONS/OTHER</u>			
Bureau of Transportation Statistics	60	70	70
University Transportation Centers	1	5	5
SUBTOTAL, ALLOCATIONS/OTHER	61	75	75
TOTAL FTEs	1,395	1,561	1,733

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

<u>DIRECT FUNDED BY APPROPRIATION</u>	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
Salaries and Expenses <u>1/</u>	496	514	553
Office Civil Rights	55	55	55
Small & Disadv. Bus. Util. and Outreach (formally Minority Business Outreach)	4	4	13
Transportation Planning, Research and Development	33	33	33
TIGER Grants Program (NII)	12	12	12
Interagency Infrastructure Permitting Improvement Center (IIPIC)	0	0	7
U.S. Digital Services	0	0	41
Minority Business Resource Center Program	1	1	1
Research and Technology	36	31	30
Essential Air Service	14	14	14
SUBTOTAL, DIRECT FUNDED	651	664	759
<u>REIMBURSABLE</u>			
Salaries and Expenses	29	31	31
Research and Technology	70	70	70
Volpe Working Capital Fund	550	550	550
Working Capital Fund	280	314	385
SUBTOTAL, REIMBURSABLE	929	965	1,036
<u>ALLOCATIONS/OTHER</u>			
Bureau of Transportation Statistics	117	117	117
University Transportation Centers	1	5	5
SUBTOTAL, ALLOCATIONS/OTHER	118	122	122
TOTAL POSITIONS	1,698	1,751	1,917

1/ Includes SCASDP

EXHIBIT III-1
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

For necessary expenses of the Office of the Secretary, [\$105,000,000, of which not to exceed \$2,696,000 shall be available for the immediate Office of the Secretary; not to exceed \$1,011,000 shall be available for the immediate Office of the Deputy Secretary; not to exceed \$19,900,000 shall be available for the Office of the General Counsel; not to exceed \$9,800,000 shall be available for the Office of the Under Secretary of Transportation for Policy; not to exceed \$12,500,000 shall be available for the Office of the Assistant Secretary for Budget and Programs; not to exceed \$2,500,000 shall be available for the Office of the Assistant Secretary for Governmental Affairs; not to exceed \$25,365,000 shall be available for the Office of the Assistant Secretary for Administration; not to exceed \$2,000,000 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 \$1,414,000 shall be available for the Office of Small and Disadvantaged Business Utilization; not to exceed \$10,600,000 shall be available for the Office of Intelligence, Security, and Emergency Response; and not to exceed \$15,500,000 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:] \$113,657,000: *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 notwithstanding section 102 of title 49 and section 5315 of title 5, United States Code, there shall be an Assistant Secretary for Innovative Finance within the Office of the Secretary as the head of the Office of the Assistant Secretary for Innovative Finance, appointed by the President with the advice and consent of the Senate. [*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, 2015.*)

EXHIBIT III-1
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES AND EXPENSES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Office of the Secretary	2,652	2,696	2,734	39
Office of the Deputy Secretary	1,000	1,011	1,025	14
Office of the Under Secretary Transportation Policy	10,271	9,800	11,796	1,996
Office of the Executive Secretariat	1,714	1,714	1,769	55
Office of Small and Disadvantaged Business	1,386	1,414	0 ^{1/}	-1,414
Office of Intel., Sec. and Emergency Resp.	10,778	10,600	10,793	193
Office of the Chief Information Officer	15,695	15,500	16,880	1,380
Office of Public Affairs	2,020	2,000	2,029	29
Office of the Asst. Sec. for Budget and Programs	12,676	12,500	13,867	1,367
Office of General Counsel	19,900	19,900	20,609	709
Office of the Asst. Sec. for Governmental Affairs	2,530	2,500	2,546	46
Office of the Asst. Sec. for Administration	26,378	25,365	27,611	2,246
Office of Innovative Finance	<u>0</u>	<u>0</u>	<u>2,000</u>	<u>2,000</u>
Total	107,000	105,000	113,657	8,658
FTEs				
Direct Funded (Includes SCASDP)	390	465	511	46
Reimbursable, allocated, other	16	28	28	0

^{1/} Merged into the new Small and Disadvantaged Business Utilization and Outreach appropriation.

Program and Performance Statement

The Office of the Secretary is responsible for the overall planning, coordination and administration of the Department as well as administration of a broad array of 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 2016 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, \$5,000,000, to remain available through September 30, [2016] 2017. (*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Financial Management Capital	7,000	5,000	5,000	0
Total	7,000	5,000	5,000	0
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation provides funds to improve 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 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

U.S. DIGITAL SERVICES

For necessary expenses for the salaries and expenses, and other operational costs necessary to establish and deploy a Digital Service team, to be used to improve and ensure the continued efficiency and effectiveness in the implementation of the Department's digital services for high-priority, high-impact program areas, \$9,000,000, to remain available until September 30, 2017.

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

U.S. DIGITAL SERVICES

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Digital Services	0	0	9,000	9,000
Total	0	0	9,000	9,000
FTEs				
Direct Funded	0	0	41	41
Reimbursable, allocated, other	0	0	41	41

Program and Performance Statement

This appropriation will fund a Digital Services team that will focus on transforming the Department of Transportation’s digital services having the greatest impact on citizens and businesses so they are easier to use and more cost-effective to build and maintain. These digital services experts, who will service on a term-limited basis, will bring to bear private sector best practices in the disciplines of design, software engineering, and product management on the Department’s most important services.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DATA ACT COMPLIANCE

For necessary expenses to support the Department's activities related to the implementation of the Digital Accountability and Transparency Act (DATA Act; Public Law 113-101), \$3,000,000 to include changes in business processes, workforce, or information technology to support high quality, transparent Federal spending information: Provided, That such amount is available only to supplement and not supplant existing DATA Act activities; Provided further, That portions of such amount may be transferred to the Department's Operating Administrations for DATA Act implementation activities.

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DATA ACT COMPLIANCE

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
DATA Act Compliance	0	0	3,000	3,000
Total	0	0	3,000	3,000
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation provides funding to assist the Department of Transportation in meeting the requirements of the Digital Accountability and Transparency Act of 2014 (DATA Act), including disclosure of all Federal spending and standardization of spending data.

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

For necessary expenses of the Office of Civil Rights, [\$9,600,000] \$9,678,000.
(*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Office of Civil Rights	9,551	9,600	9,678	78
	9,551	9,600	9,678	78
FTEs				
Direct Funded	39	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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

[MINORITY BUSINESS OUTREACH] *SMALL AND DISADVANTAGED BUSINESS
UTILIZATION AND OUTREACH*

For necessary expenses [of Minority Business Resource Center outreach] *for small and disadvantaged business utilization and outreach activities*, [\$3,099,000] \$4,518,000, to remain available until September 30, [2016] 2017: *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, 2015.*)

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH
(formerly MINORITY BUSINESS OUTREACH)

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Minority Business Outreach	3,088	3,099	0	-3,099
Small and Disadvantaged Business Utilization and Outreach	0	0	4,518	4,518
Total	3,088	3,099	4,518	1,419
FTEs				
Direct Funded	3	4	13	9
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation includes funding for the Office of Small and Disadvantaged Business Utilization, formerly funded in the Salaries and Expenses appropriation, and for outreach activities, formerly funded in the Minority Business Outreach appropriation. Funding is used to ensure that: (1) 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, and (2) effective outreach activities are in place 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

SAFE TRANSPORT OF ENERGY PRODUCTS

For the Office of the Secretary, to support multi-modal prevention and response activities associated with the safe transportation of energy products, \$5,000,000, to remain available through September 30, 2017: Provided, That such funds shall be available to support additional personnel and administrative costs, research and data analysis, economic analysis, training and outreach, and testing in the highest risk areas; Departmental oversight and coordination activities; and emergency response activities in the event of an incident involving transportation of energy products, as determined by the Secretary of Transportation.

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SAFE TRANSPORT OF ENERGY PRODUCTS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Safe Transport of Energy Products	0	0	5,000	5,000
	0	0	5,000	5,000
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	0	0	0	0

Program and Performance Statement

This appropriation provides funding to support the Office of the Secretary of Transportation's oversight and coordination of multi-modal prevention and response activities associated with the safe transportation of energy products.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT 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, \$4,000,000, to remain available until expended: Provided, That there may be credited to this appropriation, to be available until expended, amounts collected from other Federal agencies for expenses incurred under this heading.

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Interagency Infrastructure Permitting Improvement Center	0	0	4,000	4,000
	0	0	4,000	4,000
FTEs				
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

For necessary expenses for conducting transportation planning, research, systems development, development activities, and making grants, to remain available until expended [\$6,000,000] \$10,019,000. (*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Transportation Planning, Research and Development	7,000	6,000	10,019	4,019
Total	7,000	6,000	10,019	4,019
FTEs				
Direct Funded	26	27	32	5
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 (Discretionary)

[For capital investments in surface transportation infrastructure, \$500,000,000, to remain available through September 30, 2017: *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 (including inland port infrastructure): *Provided further*, That the Secretary may use up to 20 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 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, 2015.*)

Section 3 – FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Infrastructure Investments: Discretionary	600,000	500,000	0	-500,000
Total	600,000	500,000	0	-500,000
FTEs				
Direct Funded	6	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 Transportation Generating Economic Recovery (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 2016. 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)

(Legislative proposal, not subject to PAYGO)

(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, 2018: 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.

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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Infrastructure Investments: Mandatory	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 2016 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 Transportation Investment Generating Economic Recovery (TIGER) program. The Administration proposes to fund this account from the Multimodal Account of the Transportation Trust Fund. The FY 2016 Budget request includes \$1.25 billion for this account. For FY 2016, 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 the surface transportation reauthorization. Amounts reflected in this schedule represent the new mandatory contract authority and outlays supporting these programs. PAYGO costs will be calculated as the change between these amounts and reclassified baseline amounts in the existing General Fund accounts.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MINORITY BUSINESS RESOURCE CENTER PROGRAM

For the cost of guaranteed loans, [~~\$333,000~~] *\$336,000*, 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~~] *\$597,000*. (*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015- 2016
Minority Business Resource Center Program	925	925	933	8
Total	925	925	933	8
FTEs				
Direct Funded	0.48	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, [5,000,000] 8,000,000, to remain available through September 30, [2016] 2017. (*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Cyber Security Initiatives	4,455	5,000	8,000	3,000
Total	4,455	5,000	8,000	3,000
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, [\$13,000,000] \$14,582,000, of which \$8,218,000 shall remain available until September 30, [2017] 2018: *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 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. (*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

RESEARCH AND TECHNOLOGY

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY

(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
<u>Research and Technology</u>				
Salaries and Administrative Expenses	6,547	4,782	6,364	1,582
RD&T Coordination	509	509	509	0
Alternative Energy (Formerly Alternative Fuels)	499	499	499	0
Nationwide Differential Global Positioning System Positioning, Navigation and Timing	5,600	5,600	5,600	0
	1,610	1,610	1,610	0
Total	14,765	13,000	14,582	1,582
FTEs				
Direct Funded	27	21	20.0	-1.0
Reimbursable, allocated, other				
Bureau of Transportation Statistics	60	70	70	0
Airline Transportation Statistics Program	11	14	14	0
University Transportation Centers	1	5	5	0
Transportation Safety Institute	29	36	36	0
Volpe National Transportation Systems Center	548	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 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

BUREAU OF TRANSPORTATION STATISTICS

APPROPRIATION SUMMARY BY PROGRAM ACTIVITY
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 PRES. BUD.	FY 2016 REQUEST	CHANGE FY 2015-2016
<u>Account</u>				
Salaries and Administrative Expenses	[20,919]	[20,919]	[20,919]	0
Bureau of Transportation Statistics	[5,081]	[5,081]	[8,081]	[3,000]
Total [Allocation]	[26,000]	[26,000]	[29,000]	[3,000]
FTEs				
Allocation Funded	60	70	70	0
Reimbursable	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

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, [\$155,000,000] \$175,000,000, 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: *Provided further*, That amounts authorized to be distributed for the essential air service program under subsection 41742(b) of title 49, United States Code, shall be made available immediately from amounts otherwise provided to the Administrator of the Federal Aviation Administration: *Provided further*, That the Administrator may reimburse such amounts from fees credited to the account established under section 45303 of title 49, United States Code. (*Department of Transportation Appropriations Act, 2015.*)

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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Payments to Air Carriers	149,000	155,000	175,000	20,000
Total	149,000	155,000	175,000	20,000
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 2016, \$175 million is requested from the Airport and Airway Trust Fund for Payments to Air Carriers.

Section 3 – FY 2016 Budget Request by Appropriations

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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
Essential Air Service [Mandatory]	118,906	108,199	108,379	180
Total	118,906	108,199	108,379	180
FTEs				
Direct Funded	13	13	13	0
Reimbursable, allocated, other	0	0	0	0

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 \$181,500,000 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 funded by this Act unless notice of such assessments and the basis therefor are presented to the House and Senate Committees on Appropriations and are approved by such Committees.] (*Department of Transportation Appropriations Act, 2015.*)

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND
(In thousands of dollars)

PROGRAM	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
WCF DOT Activities	178,000	181,500	190,039	8,539
WCF Non-DOT Activities	340,482	341,102	362,788	21,686
TOTAL	518,482	522,602	552,827	30,225
FTEs:				
Reimbursable FTE	223	282	350	68

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.

Section 3 – FY 2016 Budget Request by Appropriations

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER
(In thousands of dollars)

PROGRAM ACTIVITY	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST	CHANGE FY 2015-2016
<u>Account</u>				
Volpe National Transportation Systems Center	[260,000]	[260,000]	[260,000]	0
Total	[260,000]	[260,000]	[260,000]	0
FTEs				
Direct Funded	0	0	0	0
Reimbursable, allocated, other	548	532	532	0

Program and Performance Statement

The Volpe 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.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ADMINISTRATIVE PROVISIONS

Sec. 101. None of the funds made available in this Act to the Department of Transportation [maybe obligated for the Office of the Secretary of Transportation to approve assessments or reimbursable agreements pertaining to funds appropriated to the modal administrations in this Act, except for activities underway on the date of enactment of this Act, unless such assessments or agreements have completed the normal reprogramming process for Congressional notification] *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 FY 2015 Omnibus, Consolidated and Further Continuing Appropriations Act (P.L. 113-235) 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 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.

Sec. 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.

Sec. 105. 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 partial or full payments in advance and accept subsequent reimbursements from all Federal agencies for transit benefit distribution services 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 maintain a reasonable operating reserve in the Working Capital Fund, to be expended in advance to provide uninterrupted transit benefits to Government employees, provided that such reserve will not exceed one month of benefits payable; Provided further, that such reserve may be used only for the purpose of providing for the continuation of transit benefits, provided that the Working Capital Fund will be fully reimbursed by each customer agency for the actual cost of the transit benefit.

- ❖ Section 105 proposes permanent authority for the Working Capital Fund (WCF) to provide advance payment to carry out the Federal transit pass transportation fringe benefit program, both within the Department, and to other Federal agencies, and provides explicit authority for the WCF to provide transit benefit services to non-DOT agencies. Such authority would be used instead of the Economy Act (31 U.S.C. 1535). The proposed language provides flexibility and continuity to the WCF in providing transit benefits and will enable real-time reconciliation of payments from Federal customer agencies by streamlining the current funding process.

The Federal Transit Benefit program with proper internal controls will always have excess funds over the amount ordered for the subsidy period. The program requires participants to adjust their transit subsidy so that in any given month the amount received is equal to their actual commuting expense from home to work and work to home. The subsidy is not a cash reimbursement, so therefore, leave, telework, etc. impact the amount of the subsidy. However, the participant's need for the full month's subsidy to cover actual commuting expenses between home and work must be funded and after the fact any amount not used is returned to the agency.

Since the roll-out of the debit card in 2012-14, excess transit benefits that are not used by employees remain on debit cards at the end of the month are subsequently refunded/swept back to DOT's Federal depository without a need for a participant to take action. Previously with paper vouchers, each participant was required to manually return the unused vouchers to their agency. The automatic return of excess benefit funding is one positive aspect of using an electronic means to deliver the transit subsidy and enables TRANServe to clearly and timely identify excess funding amounts much earlier. Such amounts previously would have been subject to fraud, waste and abuse.

Section 3 – FY 2016 Budget Request by Appropriations

Under the current debit card system, customer agencies are typically refunded 20% of their overall cost for transit benefits for the period of performance due to these adjustments. However, under the current process, customer agencies do not have time to use such funds prior to their expiration, which is often at the end of the fiscal year. This authority would enable Federal agencies to use their funds more rapidly and efficiently because the program could be capitalized in advance and could carry an operating reserve.

**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 [“Technical Assistance and Training”] “*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, loan commitment, loan guarantee commitment, line of credit commitment, 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 or federal credit 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[, and said reprogramming action shall be approved or denied solely by the Committee on Appropriations]: *Provided*, That the Secretary may provide notice to other congressional committees of the action of the Committees on Appropriations on such reprogramming but not sooner than 30 days following the date on which the reprogramming action has been [approved or denied by] *transmitted to* the House and Senate Committees on Appropriations.

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

Section 189. None of the funds appropriated or otherwise made available under this Act may be used by the Surface Transportation Board of the Department of Transportation to charge or

collect any filing fee for rate 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. (a) 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 2016, 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;

Section 3 – FY 2016 Budget Request by Appropriations

(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.

(b) Notwithstanding any other transfer restriction under this Act, not to exceed 10 percent of any appropriation made available for current fiscal year for the Federal Aviation Administration by this Act or provided by previous appropriations Acts may be transferred between such appropriations for the Federal Aviation Administration, but no such appropriation except as otherwise specifically provided, shall be increased by more than 10 percent by any such transfer: Provided, That funds transferred under this section shall be treated as a reprogramming of funds under subsection (a) and shall not be available for obligation unless the Committees on Appropriations of the Senate and the House of Representatives are notified 15 days in advance of such transfer: Provided further, that any transfer from an amount made available for obligation as discretionary grants-in-aid for airports pursuant to section 47117(f) of title 49, United States Code shall be deemed as obligated for grants-in-aid for airports under part B of subtitle VII of title 49, United States Code for the purposes of complying with the limitation on incurring obligations in this appropriations Act or any other appropriations Act under the heading “Grants-in-Aid for Airports.”

❖ 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 2016 from appropriations

made available for salaries and expenses for fiscal year 2016 in this Act, shall remain available through September 30, 2017, for each such account for the purposes authorized: *Provided*, That a *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 404 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 *brownsfield* as defined in the Small Business Liability Relief and *Brownsfield* 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 3 – FY 2016 Budget Request by Appropriations

❖ 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 in this Act may be used by the Federal Transit Administration to implement, administer, or enforce section 200.319(b) of title 2, Code of Federal Regulations, for construction hiring purposes.

❖ Section 411 prohibits Federal funds from being used by the Federal Transit Administration to implement, administer, or enforce section 200.319(b) of title 2, Code of Federal Regulations, for construction hiring purposes.

Sec. 412. None of the funds made available by this Act may be used to lease or purchase light duty vehicles for any executive fleet, or for an agency's fleet inventory, except in accordance with Presidential Memorandum—Federal Fleet Performance, dated May 24, 2011.

❖ Section 412 prohibits Federal funds from being used to lease or purchase light duty vehicles for any executive fleet, or for an agency's fleet inventory, except in accordance with Presidential Memorandum—Federal Fleet Performance, dated May 24, 2011.

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

	<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>FY 2016</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	84,051	83,961	91,782	98,248	102,686	102,481	102,481	97,121	107,000	105,000	113,657
Trans., Plng., Res. & Dev. (TPR&D)	14,850	14,893	13,884	18,300	18,168 ^{3/}	9,799	9,000	8,529	7,000	6,000	10,019
TPR&D Cancellation of Unobligated Balances	0	0	0	0	0	0	0	0	-2,750	0	0
Office of Civil Rights	8,465	8,527	9,141	9,384	9,667	9,648	9,384	8,893	9,551	9,600	9,678
Small and Dis. Bus. Util. & Outreach (Min. Bus. Outreach)	2,970	2,970	2,970	3,056	3,074	3,068	3,068	2,908	3,088	3,099	4,518 ^{6/}
Minority Business Resource Center	891	893	893	912	923	921	922	874	925	925	933
Financial Management Capital	0	0	0	5,000	5,000	4,990	4,990	4,729	7,000	5,000	5,000
Digital Services	0	0	0	0	0	0	0	0	0	0	9,000
Essential Air Service	[50,000] ^{1/}	[50,000] ^{1/}	[65,000] ^{2/}	[12,286] ^{4/}	[50,000] ^{1/}	[50,000] ^{1/}	[50,000] ^{1/}	[97,697] ^{1/}	[118,906] ^{1/}	[108,199]	[108,379] ^{1/}
Payments to Air Carriers	0	59,400	60,000	86,213	150,000	149,700	143,000	135,520	149,000	155,000	175,000
Compensation to Air Carriers	0	-50,000	-22,000	-848	0	0	0	0	0	0	0
Compensation for General Aviation Operations	16,830	0	0	0	0	0	-3,254	0	0	0	0
New Headquarters Building	49,500	49,500	0	0	0	0	0	0	0	0	0
Safe Transportation of Energy Products Fund	0	0	0	0	0	0	0	0	0	0	5,000
TIGER Grants Program	0	0	0	0	0	0	0	0	0	500,000	1,250,000
National Infrastructure Investments	0	0	0	0	600,000	526,944	500,000	473,847	600,000	0	0
ARRA - National Surface Transportation System	0	0	0	1,500,000	0	0	0	0	0	0	0
Cyber Security/IT Infrastructure	0	0	0	0	0	0	10,000	9,477	4,455	5,000	8,000
DATA Act	0	0	0	0	0	0	0	0	0	0	3,000
Research & Technology	5,716	7,736 ^{5/}	12,000	12,900	13,007	12,981	15,981	15,145	14,765	13,000	14,582
Bureau of Transportation Statistics	26,730	27,562	27,000	27,000	27,000	27,000	25,206	25,948	26,000	29,000	29,579
Interagency Permitting Improvement Center	0	0	0	0	0	0	0	0	0	0	4,000

^{1/} Overflight fees collected by FAA

^{2/} Overflight fees collected by FAA (\$50m) and funds from sale of spectrum (\$15m)

^{3/} Includes \$2 million for the Mississippi-Missouri Rivers project pursuant to P.L. 111-117 Section 195.

^{4/} 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.

^{5/} FY 2007 reflects Continuing Resolution (H.J. Resolution 20) at the FY 2006 budget level of \$5,736,000 and funds to support Air Transportation Statistics program.

Funding for the Office of Small and Disadvantaged Utilization (formerly in Salaries and Expenses) has been merged with the Minority Business Outreach appropriation and the appropriation has been renamed Small and Disadvantaged Business

^{6/} Utilization and Outreach.

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 Actual	178,000		18,367
FY 2015 Enacted	181,500		18,367
FY 2016 Request	-		2/

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
- ^{2/} No limitation is proposed. The amount of loans guaranteed will be determined by the amount of subsidy funding enacted.

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY**

FY 2016 CONGRESSIONAL BUDGET 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 Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$2,314	\$2,203	\$2,239	\$35
Travel	\$202	\$202	\$202	\$0
Other Costs	\$136	\$291	\$294	\$3
TOTAL	\$2,652	\$2,696	\$2,734	\$38

STAFFING

Direct Positions	15	15	15	0
Direct FTEs	12	13	14	1
Reimbursable Positions	7	8	8	0
Reimbursable FTEs	6	8	8	1

The Immediate Office of the Secretary is requesting \$2.734 million and an estimated 14 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Immediate Office of the Secretary

What Is This Program And Why Is It Necessary?

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 Do We Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) 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.

What Benefits Will Be Provided To The American Public Through This Request?

The Immediate Office of the Secretary is necessary to provide executive leadership essential to responding to the American Public about transportation issues affecting the Nation.

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
FY 2014 Actual	\$2,652	12
FY 2015 Enacted	\$2,696	13
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$8	
January 2016 Pay Raise	\$21	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$1	
Inflation	\$5	
FY 2016 Baseline Estimate	\$2,736	13
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-235, Division E, Section 739 (e).	-\$2	0
<u>FY 2016 Redirection of Resources (+/-):</u>		
Additional FTE against existing position. No increase in funding needed.	\$0	1
Total, FY 2016 Request	\$2,734	14

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES***Office of the Deputy Secretary - (S-2)***What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$952	\$929	\$942	\$13
Travel	\$35	\$35	\$35	\$0
Other Costs	\$12	\$47	\$47	\$0
TOTAL	<u>\$1,000</u>	<u>\$1,011</u>	<u>\$1,025</u>	<u>\$14</u>

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 \$1.025 million and an estimated 7 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Office of the Deputy Secretary

What Is This Program And Why Is It Necessary?

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 Do We Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) 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.

What Benefits Will Be Provided To The American Public Through This Request?

The Office of the Deputy Secretary assists the Secretary in the overall planning, direction and control of the Department's agenda. The office is essential to prioritizing responses to the American Public about transportation issues affecting the Nation.

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
FY 2014 Actual	\$1,000	4
FY 2015 Enacted	\$1,011	7
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$2	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$4	
January 2016 Pay Raise	\$9	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$2	
FERS and FEHB Increases	\$0	
Inflation	\$1	
FY 2016 Baseline Estimate	\$1,025	7
<u>FY 2016 Program Changes (+/-):</u>	\$0	0
Total, FY 2016 Request	\$1,025	7

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 Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$9,456	\$9,008	\$10,378	\$1,370
Travel and Transportation	\$134	\$134	\$184	\$50
Other Costs	\$680	\$658	\$1,233	\$575
TOTAL	<u>\$10,271</u>	<u>\$9,800</u>	<u>\$11,796</u>	<u>\$1,996</u>

STAFFING

Direct Positions	85	85	91	6
Direct FTEs	62	72	85	13
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of the Under Secretary for Policy is requesting \$11.796 million and an estimated 85 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

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

What Is This Program/Activity And Why Is It Necessary?

The Under Secretary of Transportation for Policy (S-3) serves as a principal policy advisor to the Secretary and provides leadership in the development and implementation of policies for the Department, generating proposals and strategic planning, and providing advice regarding legislative and regulatory initiatives across all modes of transportation. By statute, the Under Secretary is second in the Department's order of succession, after the Deputy Secretary. 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 S-3 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); two offices address the **Safety, Quality of Life in Communities** and **Environmental Sustainability** strategic goals, (Offices of the Chief Safety Officer; Policy Development, Strategic Planning and Performance); and one office further promotes **Organizational Excellence** and the Nation's **State of Good Repair** (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 and transportation investments. 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 involving the impact of transportation investments on the human and natural environment, and quality of life. The office leads strategic initiatives to ensure improvements in performance management, transportation planning, and project delivery that will improve safety, reduce energy use, and create better environmental outcomes while improving the accessibility and connectivity of the transportation system. 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. This office supports the Departmental initiatives on freight, innovative finance, competitive grant programs (including National Infrastructure Investments), and technology.

The **Office of Safety Oversight** is responsible for ensuring safety modes are coordinating to promulgate the most effective safety regulations, and performing safety-related research, while ensuring data from States and others is collected only once and appropriately shared by all safety modes, to ensure proper oversight of transportation safety. The Office has oversight over all safety-related activity in the modes, with a particular focus on better integrating the safety activities of the modal administrations. This allows safety practitioners to focus on areas of the highest risk for the traveling public, while streamlining the States' safety-related interactions with DOT (including safety planning and reporting requirements). The Office is further responsible for determining where there's overlap between the modes, and proactively harmonizing the different safety authorities for the modes.

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 attracting 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 competition issues, 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. 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 Americans with Disabilities Act (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. There is also a focus on ADA and accessible transportation, to coordinate the Department's work on improving access to the transportation system for people with disabilities and older adults. 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 2015 Anticipated Program Accomplishments:

The Office of the Under Secretary will develop and coordinate agency initiatives in the areas of safety, public and intergovernmental outreach, freight policy, and international transportation policy. The Office will also continue to support White House-led efforts that complement Departmental goals. The Office plans to hold several freight-related events that highlight the need for a strong freight title in the next reauthorization bill and learn more about the tools States and communities most need to make informed investment decisions that improve freight movement. The Office's outreach with major transport ministers will continue to develop policy positions on transport and transport-related trade matters, while further continuing to participate in the negotiation and implementation of trade agreements between the United States and other countries.

Performance Measures:

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 Do We Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) an increase for an estimated 1 percent inflation, as well as an estimated 85 FTEs and associated costs. Additional changes from FY 2015 include a program increase of \$1,000,000 for the Office of the Safety Oversight with 6 positions (3 FTE), and an increase of \$854,308 with 10 FTE for previously-authorized positions. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

What Benefits Will Be Provided To The American Public Through This Request?

The Under Secretary of Transportation for Policy (S-3) 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. Specifically, the Salaries and Expenses account within S-3 acts as the main funding source for the policy experts, trade negotiators, economists, financial specialists and administrative support vital to the policy-making operations of S-3. The Office of the Under Secretary for Policy has actively led the development of the **GROW AMERICA** Act that aims to increase access to education and new job opportunities through workplace development grants; expand authority to protect the public from automobile defects; and provide needed investment to keep pace with a growing population.

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
FY 2014 Actual	\$10,271	62
FY 2015 Enacted	\$9,800	72
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$22	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$34	
January 2016 Pay Raise	\$85	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$9	
FERS and FEHB Increases	\$4	
Inflation	\$4	
FY 2016 Baseline Estimate	\$9,941	72
<u>FY 2016 Program Changes (+/-):</u>		
\$1 million and 6 positions (3 FTEs) for a new Office of Safety Oversight and \$.854 million and 10 FTEs to fund previously authorized positions.	\$1,854	13
Total, FY 2016 Request	\$11,796	85

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES***Office of the Executive Secretariat - (S-10)***What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$1,564	\$1,593	\$1,615	\$22
Travel	\$2	\$2	\$2	\$0
Other Costs	\$148	\$119	\$152	\$33
TOTAL	<u>\$1,714</u>	<u>\$1,714</u>	<u>\$1,769</u>	<u>\$55</u>

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 \$1.769 million and an estimated 14 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Office of the Executive Secretariat

What Is This Program And Why Is It Necessary?

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.

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 Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) an estimated 1 percent inflation increase as well as an estimated 14 FTEs and associated costs. Also included is a \$32 thousand program increase for contract support for the correspondence management system. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

What Benefits Will Be Provided To The American Public Through This Request?

The Office of the Executive Secretariat ensures the timely response to Secretarial inquiries from the general public (and Congress on their behalf) regarding transportation-related issues.

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
FY 2014 Actual	\$1,714	12
FY 2015 Enacted	\$1,714	14
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$4	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$6	
January 2016 Pay Raise	\$15	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$3	
FERS and FEHB Increases	\$1	
Inflation	\$1	
FY 2016 Baseline Estimate	\$1,737	14
<u>FY 2016 Program Changes (+/-):</u>		
Contract support for the correspondence management system.	\$32	0
Total, FY 2016 Request	\$1,769	14

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES***Office of Small and Disadvantaged Business Utilization - (S-40)***What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$1,361	\$1,347	\$0	-\$1,347
Travel	\$0	\$0	\$0	\$0
Other Costs	\$25	\$67	\$0	-\$67
TOTAL	<u>\$1,386</u>	<u>\$1,414</u>	<u>\$0</u>	<u>-\$1,414</u>

STAFFING

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

The FY 2016 budget proposes to merge the Salaries and Expenses appropriation for the Office of Small and Disadvantaged Business Utilization with the Minority Business Outreach appropriation, thereby establishing a single Small and Disadvantaged Business Utilization and Outreach appropriation.

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
FY 2014 Actual	\$1,386	8
FY 2015 Enacted	\$1,414	9
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$3	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$5	
January 2016 Pay Raise	\$13	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$2	
FERS and FEHB Increases	\$1	
Inflation	\$1	
FY 2016 Baseline Estimate	\$1,434	9
<u>FY 2016 Program Changes (+/-):</u>	\$0	0
<u>FY 2016 Redirection of Resources (+/-):</u>		
Merger of funding previously provided to OSDDBU through the Salaries and Expenses appropriation with the Minority Business Outreach appropriation.	-\$1,434	-9
Total, FY 2016 Request	\$0	0

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

Office of Intelligence, Security, and Emergency Response - (S-60)

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$8,335	\$8,656	\$8,798	\$142
Travel	\$334	\$375	\$375	\$0
Other Costs	\$2,109	\$1,569	\$1,620	\$50
TOTAL	\$10,778	\$10,600	\$10,793	\$193

STAFFING

Direct Positions	53	55	55	0
Direct FTEs	50	53	53	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Intelligence, Security, and Emergency Response is requesting \$10.793 million and an estimated 53 FTEs in FY 2016 to accomplish the mission as outlined on the pages that follow. The FYs 2015 and 2016 staffing reflect two additional positions and FTEs for the Protective Service Division funded through a reduction in contractual services.

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

What Is This Program And Why Is It Necessary?

The Office of Intelligence, Security, and Emergency Response (S-60) 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 Office of Intelligence, 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.

S-60 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 North American Aerospace Defense /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 is responsible for providing all-source intelligence products to the Secretary of Transportation and his/her principal staff as well as the DOT Operating Administrations (OA) ensuring they are apprised of current developments and long range trends in international terrorism and global and international topics concerning aviation, trade, transportation markets, trade agreements and related topics in international cooperation and facilitation. The division has increasingly focused on cyber intelligence analysis given the numerous threats to U.S. government networks.

During FY 2015, 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, Deputy Secretary, his principal staff, and other key DOT officials to ensure they 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 Interagency Policy Committee (ISA 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, and other

forums that address information sharing, law enforcement, and intelligence-related topics at the national level;

- Coordinate with the Office of Counterintelligence Executive and the National Insider Threat Task Force to develop an effective and efficient Insider Threat Program for EO 13587 (Structural Reforms to Improve the Security of Classified Networks and the Responsible Sharing and Safeguarding of Classified Information);
- Work closely with the Director of National Intelligence Federal Partner Forum Office on a range of topics and utilize the DOT suspicious activity reporting database to centrally monitor and manage suspicious activity reported DOT-wide;
- Work in conjunction with the National Counterterrorism Center to identify DOT components that have counterterrorism-related programs and projects contributing to the National Counterterrorism budget;
- Continue to provide counterintelligence-related threat briefings to DOT personnel traveling overseas in an effort to improve their situational awareness and help prevent the exploitation of travelers by unfriendly or hostile intelligence organizations.

Security Policy and Plans Division. The Security Policy and Plans Division supports DOT's interests on national security policy issues and coordinates DOT representation on various interagency groups, as convened by the White House/National Security Council Staff. These activities are in direct support of various Presidential Policy Directives (PPDs), EOs, National Strategies and Frameworks, and Congressional mandates.

This division also coordinates DOT policy with the Department of Homeland Security (DHS), Department of Defense, Department of State, and 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, and produce or coordinate in-depth studies, reports, analysis, and Departmental operational plans.

During FY 2015, the Security Policy and Plans Division will accomplish the following:

- Support the DOT Secretary and Deputy Secretary in their role as part of 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 biological threats and bio-surveillance, climate change and adaptation, critical infrastructure, cybersecurity, and other national preparedness issues;
- Work with DHS to identify and prioritize critical infrastructure, perform vulnerability assessments, and collaborate through a public-private partnership model to address physical and cyber critical infrastructure in an all-hazards environment;
- Update Departmental policy for the Sensitive Security Information program, provide input into the Transportation Security Administration's revision of the National Strategy for Transportation Security (49 U.S.C. 114), provide input and coordination

to the 5 National Preparedness Frameworks (NPF) from PPD-8, and assist with Civil Reserve fleet allocations.

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

1. **The National Security Continuity Program** is responsible for the continuity of essential DOT and other governmental functions. The program 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. The program develops and updates departmental devolution plans and procedures, while providing DOT support to various continuity of government programs.

During FY 2015, the National Security Continuity Program will accomplish the following:

- Establish the “OneDOT” alternate site for both Departmental and Operating Administration senior leadership to replace the existing DOT site;
 - Maintain operational continuity of operations sites and improve facility configuration and communications/IT capabilities – incorporating all requirements of National Communications Systems Directive (NCS D 3-10) and other applicable requirements;
 - Manage and coordinate training of personnel supporting continuity programs;
 - Examine alternative continuity of operations sites as possible additional locations, with the goal of providing enhanced command and control at multiple locations.
2. **The International Civil Transportation Emergency Preparedness Program** represents the U.S. and DOT in international organizations and groups engaged in development of civil transportation response plans in the interest of national security and disaster preparedness. Program staff works in coordination with DOT and other federal entities in planning and technical policy development concerning international civil transportation emergency response and recovery initiatives.

During FY 2015, the International Civil Transportation Emergency Preparedness Program will accomplish the following:

- Coordinate with Transport Canada in planning for mutual support in cross border operations during security incidents and other disasters;
- Represent the U.S. in North Atlantic Treaty Organization (NATO) transportation-related civil emergency planning matters related to civil aviation resources, acquisition, and deployment to support NATO operations, or support to other nations during disasters;
- Provide 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;

- Continue to support the Safety and Disaster Assistance Working Group of the U.S./China Transportation forum by conducting a steering committee meeting and a multi-modal workshop with the Chinese Ministry of Transport;
 - Continue to work with the Asian Pacific Economic Cooperation (APEC) on Global Supply Chain Resilience;
 - Represent DOT at international forums on transportation-related civil emergency preparedness, response and recovery and training exercises.
3. **The Training and Exercise Program** is responsible for coordinating the DOT's participation in national, regional, and local emergency preparedness/response exercises to ensure 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 2015, the Training and Exercise Program will accomplish the following:

- Conduct exercises mandated by the National Exercise Program including one full-scale exercise on response nuclear facility accident scenario, an annual Continuity of Operations exercise (Eagle Horizon), senior level (Cabinet) tabletop exercises, and Department-wide senior leader exercises;
- Conduct 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 the Office of Intelligence, Security, and Emergency Response training;
- Support exercise development and execution for the Operating Administration's internal exercises and preparedness seminars;
- Participate in support of other federal-level interagency exercises.

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** serves as the focal point for the Department's actions during crises. The CMC is designed to monitor the nation's transportation systems and infrastructure 24-hours a day, 7 days a week. The CMC hosts the Secretary's Emergency Response Team (ERT) and other support personnel who provide the Secretary and OAs with information pertinent to the crisis at hand. Information sharing with other federal agencies and the White House is enabled using secure communications for unclassified and classified information.

The CMC is the central point for the Department's interagency liaison and coordination with the Department of Homeland Security's National Response Coordination Center.

During FY 2015, the CMC will accomplish the following:

- Improve preparedness in the use of the CMC alternate operating facilities by training and conducting drills and perform operational communications testing in support of federal continuity programs per National Communications System Directive 3-10;
- Provide ongoing secure and other vital communications links for the Secretary and other senior officials;
- Continue to develop and refine the use of information technology into the CMC to ensure interoperable emergency communications nationwide;
- Participate in multiple federal interagency working groups, and monthly meetings with the DOT OA emergency coordinators.

2. **The National Response Program** is responsible for coordinating departmental preparedness, response, and recovery activities in all-hazards crises for the Office of the Secretary, and supports the Secretary's responsibilities under the National Response Framework (NRF), Emergency Support Function #1 (ESF-1) Transportation. ESF-1 is designed to provide transportation support to assist in domestic incident management, including reporting status of damage to transportation infrastructure, identifying temporary alternative transportation, coordinating the restoration and recovery of the transportation infrastructure, performing activities conducted under the direct authority of DOT, and coordinating and supporting prevention/preparedness/mitigation among transportation infrastructure stakeholders at all levels.

The NRP has Regional Emergency Transportation Coordinators (RETCOs), Regional Emergency Transportation Representatives (RETREPs), and Regional Emergency Cadre (RET-C) representing all DOT modes. These teams, which are based in ten regions across the country, coordinate with federal state, local, tribal, and territorial (FSLTT), and private sector partners for disaster planning, training and exercises, and deployment to key regional, state, and local field offices to provide critical emergency transportation services.

During FY 2015, the NRP Program will accomplish the following:

- Carry out ESF-1 preparedness, response, and recovery operations and serve as a supporting agency to other ESFs as identified in the NRF and other Recovery Support Functions (RSFs) in the National Disaster Recovery Framework (NDRF);
- Participate in planning, preparedness, operations, exercises, training and outreach activities related to disaster response, to include annual training for NRP personnel, partner agencies and leadership, regional OneDOT meetings, and participation in the National Hurricane Conference;
- Coordinate DOT's regional preparedness, response, and recovery activities for all-hazards incidents and events;

- Assist in the development of national policy and procedures related to transportation elements of emergency management, critical infrastructure security, resilience, and recovery;
- Assist FSLTT partners through application of our technical expertise in the preparedness, response, and recovery activities in all-hazards crises;
- Support other S-60 Program initiatives including, but not limited to the Emergency Preparedness Committee for Civil Transportation (EPCCT) and the Safety and Disaster Assistance Working Group of the U.S./China Transportation Forum.

Protective Service Division. The Protective Service Division (PSD) provides the Secretary and Deputy Secretary, as needed, highly-trained and experienced special agents who are deputized U.S. Marshals. The agents provide protection for the Secretary and Deputy Secretary and conduct security advance work in the U.S. and overseas. The Special Agents provide daily personal protection and protection during the Secretary's travels, whether local, domestic or international. This protection is crucial to the Secretary's security and safety, especially in a time of increased terrorist threats or activity.

During FY 2015, the Protective Services Division will accomplish the following:

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

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.

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.

During FY 2015, 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 Office of the Secretary and DOT Operating Administrations;
- Assist N/NC in fulfilling their Defense Support to Civil Authorities 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.

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.”

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA); (5) mandated increases in the Federal share of the FERS costs; and (6) an increase for an estimated 1 percent inflation as well as an estimated 53 FTEs and associated costs. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

What Benefits Will Be Provided To The American Public Through This Request?

In support of the Department of Transportation’s (DOT) mission which is to develop and coordinate policies that will provide an efficient and economical national transportation system, with due regard for need, the environment, and the national defense, the Office of Intelligence, Security, and Emergency Response (S-60) ensures the development, coordination, and execution of plans and procedures for the DOT to balance transportation security requirements with the safety, mobility, and economic needs of the nation.

Benefits to the American public include, but are not limited to:

- Providing a security policy framework that will ensure preparedness, mitigate the consequences of transportation sector emergencies, and support DOT's mission;
- Assuring continuity of operations, support continuity of government, and maintain emergency operations capabilities to respond effectively to incidents and fulfill our commitments under Presidential Directives and the NRF;
- Ensuring plans, procedures, training, and exercises will prepare DOT to meet federal emergency preparedness, response and recovery policies, strategies, and other requirements;

- Delivering timely, relevant, and expert intelligence analysis on preparedness efforts, operational response, and fulfill technical requests from the intelligence and law enforcement communities;
- Staying abreast of and responding to behavior that may be indicative of intelligence gathering or pre-operational planning related to terrorism, criminal, or other illicit intention;
- Providing immediate or urgent information on time sensitive threats or situations that may impact local security environments and may require responsive activity;
- Fulfilling DOT's commitments to NATO and other agreements;
- Ensuring security for the Secretary by using best practices, standards, and assessments.

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
FY 2014 Actual	\$10,778	50
FY 2015 Enacted	\$10,600	53
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$22	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$33	
January 2016 Pay Raise	\$82	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$38	
FERS and FEHB Increases	\$5	
Inflation	\$16	
FY 2016 Baseline Estimate	\$10,796	53
<u>FY 2016 Program Changes (+/-):</u>	-\$4	0
Travel reduction pursuant to P.L. 113-235, Division E, Section 739 (e).		
Total, FY 2016 Request	\$10,793	53

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

Office of the Chief Information Officer - (S-80)

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$5,524	\$7,042	\$10,028	\$2,986
Travel	\$15	\$15	\$15	\$0
Other Costs	\$10,156	\$8,443	\$6,836	-\$1,606
TOTAL	\$15,695	\$15,500	\$16,880	\$1,380

STAFFING

Direct Positions	36	52	71	19
Direct FTEs	28	45.5	65 ^{1/}	20
<u>IT Workforce Restructuring:</u>				
Contractor Positions Eliminated	1	10	5	N/A
New Federal Positions	1	10	5	N/A
New Federal FTE	0	9.5	7.5	N/A
<u>Program Increase & Redirection of Contract Resources:</u>				
New Federal Positions	0	6	10	N/A
New Federal FTE	0	3	5	N/A
<u>Redirection from RITA:</u>				
New Federal Positions	0	0	4	N/A
New Federal FTE	0	0	4	N/A
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

^{1/} Includes 3 annualized FTE from 6 new positions in 2015.

The Office of the Chief Information Officer is requesting \$16.880 million and an estimated 65 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow. The staffing levels above reflect approval of the IT Workforce Restructuring reprogramming. Also included is the transfer of four positions and FTE from the former RITA/OST-R OCIO associated with the integration of RITA into OST.

Detailed Justification for the Office of the Chief Information Officer

What Is This Program And Why Is It Necessary?

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, strategy, 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)** is 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** oversees analysis, research, and the provision of specific recommendations, reports, and alternatives to the IRB.
- The **CIO Council** oversees 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** oversees 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:

- **Open Government**– OCIO continues to create strategies and guidance for increased transparency in IT solutions. Improvements are made in close collaboration with the Office of Public Engagement and are based on customer needs and research in support of the Open Government Directive. Activities include best practices, toolkits, and technology roadmaps.
- **Digital Strategy** – The OCIO continues to enhance the governance structure and Departmental digital strategy to DOT Web activities align to the strategic goals of the Department.

Information Assurance and Privacy. The OCIO continues to enforce the business strategy to make targeted investments in policy, people, processes, and technology that will 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 2015 Accomplishments:

In FY 2015, 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.

IT Workforce. The OCIO will continue to evaluate OCIO IT staffing as part of the IT Workforce initiative to promote efficiency and effectiveness of the IT workforce. In addition, the OCIO will partner with Operating Administrations to seek additional opportunities for improvement in Departmental IT management.

Expanding 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 strengthen the visibility 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.

Records Management. The CIO's office will make progress on policies and procedures around National Archives and Records Administration (NARA) directives. OCIO will continue to work with NARA recommendations to develop and implement policies for records schedule, ascensions, and the review of records collection.

The OCIO programs are needed to address the steady increase in the number, timing, depth, and complexity of IT infrastructure and services. OCIO must create and maintain agile, reliable, innovative and scalable IT environment and business services that enable the mission of DOT. Strategic implementation is necessary for sustainable, stable, and efficient IT infrastructure and IT systems. The OCIO focuses on ensuring project and investment management is planned, processed and delivered in a standardized manner across the Department. Processes and procedures must be further developed and enforced that reduce inefficiency and ineffectiveness in performance. The OCIO continues to work 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 Department in an efficient and effective manner.

In FY 2016, the OCIO will focus on expanding the capabilities in five areas:

- **Enterprise Architecture and Governance** – The OCIO will take a targeted approach in reinvigorating the enterprise architecture (EA) program in conjunction with ongoing enhancements in the areas of Capital Planning & Investment Control (CPIC), and IT Governance. These improvements will enhance the reporting, tracking, and

categorization of the DOT IT Investments as well as the reporting towards Departmental capabilities.

- **IT Workforce** – To promote efficiency and effectiveness, OCIO will continue to lead the IT Workforce Initiative by continuing to evaluate and realign the federal and contractor resources supporting the Department’s IT efforts. OCIO will also focus on supporting a Department-wide strategy to evaluate opportunities to improve the IT Workforce of Operating Administrations.
- **Data and GIS Coordination and Policy** – The OCIO is working to continue improvements in the way DOT collects and releases data. DOT contains a uniquely disparate dataset, focusing on various modes of transportation, utilizing a variety of legacy systems. The OCIO will continue to review current data sets, analyze current practices to find commonalities, and develop a strategy to ensure all data is available in a structured format, easily consumable by the public and consumers. DOT will also promote the collaboration and data sharing within the Department. As part of this effort, DOT will strive to integrate geospatial data with existing data to every extent possible.
- **Digital Strategy** – The DOT OCIO will continue to focus on enterprise digital governance to support the enterprise-level SharePoint instance and the Departmental web properties. Through recent migration and consolidation of various modal SharePoint and website solutions, an effective governance strategy is required to ensure a consistently managed instance moving forward. DOT will continue to focus on improving the strategy and governance for all external web properties to meet Digital Government Strategy goals of creating mobile friendly, accessible, and high value web content for the public.
- **Cyber Security** - The DOT CISO will focus on a Cyber Risk Management program to improve security practices across the Department. OCIO will put in place processes that continually adapt to changing threats, vulnerabilities, and assets. OCIO will enhance compliance with federal cybersecurity mandates through a focused compliance and auditing program. The audit program will improve our security posture by improving collaboration and standardization throughout the Department.
- **Records Management**- The OCIO will focus on addressing policies and procedures related to records management and retention. The OCIO will also implement a process to improve the tracking and efficiency of records collection reviews. The Program will make improvements tracking IT investment activities and providing recommendations for corrective action plans. The program will also analyze future IT investments at the modes

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) an extra compensable day; (3) an estimated 1.3 percent pay raise for 2015; (4) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA); (5) mandated increases in the Federal share of FERS

costs; and (6) an increase for an estimated 1 percent inflation increase as well as an estimated 65 FTEs and associated costs. In addition, minor adjustments have been made in the distribution of funding resources between object classes from FY 2015 to FY 2016 to more accurately reflect the usage of funds in FY 2015.

The cost associated with existing contractor support is significantly higher than the full-cost of federal employees. In some cases, the Office of the DOT CIO pays 75% more to maintain contractor positions. In addition, many of the budget, financial, compliance, security and oversight roles of the OCIO would be better served by federal employees. To promote efficiency and effectiveness of the IT Workforce, OCIO received approval to redirect existing resources in FY14 and FY15 from contract resources to create federalized positions.

In addition to the approved reprogramming in FY14 and FY15, the DOT CIO's office proposes to redirect \$694,931 in existing contractor resources in FY 16 to create the following five federal positions and annualize the new FY15 FTE (5FTP/7.5FTE)

Compliance and Governance

- IT Data Analyst, GS-12

Digital Communication

- Web Analyst, GS 11/12
- Digital and Internal Communication Specialist, GS 13
- Digital Strategy Project Manager, GS 14

Resource Management

- Budget Analyst, GS-14

Using savings realized from DOT's reprogramming efforts in FY 14, FY15, and the proposed redirection in FY 16, OCIO requests 10 additional positions to meet the OCIO mission. To fully fund these positions, OCIO requests a program increase of \$246,522. The 10 new positions (10FTE/5FTP) will focus on the following OCIO programs:

Office of the Secretary of Transportation (OST) Chief Information Officer – The OST CIO ensures the IT needs of OST Offices are met and sound investment decisions are made, consistent with mission and business requirements of the DOT CIO. The OST CIO position functions similar to the role of an operating administration CIO, and enables the DOT CIO to focus on Departmental priorities. Additional staff is needed to adequately manage OST IT portfolio and to provide technical guidance for OST business and mission support systems. OCIO requests 2 additional positions (2 FTPs/1 FTE):

- Program Analyst (GS-13) – Responsible for project management and overseeing OST IT projects. The program analyst will provide IT technical direction and support and manages projects to ensure timely completion within budget and scope
- Program Analyst (GS-13) – Responsible for capital planning and investment control. The program analyst will track the health of the OST IT Portfolio and coordinate all

OMB 300 and 53 data entry responsibilities. This position will work directly with Program Managers to update investment status.

Privacy – The DOT Chief Privacy Officer is responsible for providing privacy risk analysis and management services to all DOT Operating Administrations and Secretarial Offices for all rulemaking programs and technology initiatives. The Office handles over 50 privacy impact assessments each year. In a recent audit on the DOT Privacy Program, the Office of the Inspector General (OIG) recommended a review of the current organization structure and resource levels working on Privacy within the OCIO. The OCIO requests 2 additional positions (2 FTPs/1 FTE):

- Policy Analyst (GS-14) – Privacy Policy – Conducts analysis, documents risk findings, defines and validates mitigation controls. Develops and implements policies and processes to improve the efficiency and quality of Departmental Privacy Impact Assessments.
- Program Analyst (GS-11) – Privacy Audits – Tracks and processes Departmental Privacy risk management compliance artifacts to ensure that all artifacts are received, tracked and handled in a timely manner.

Cyber Security - The DOT CISO is responsible for the Department’s Cyber Security program and strengthening the Department’s cyber security posture. The program underwent an independent review that highlighted key areas in need of additional resources (6 FTPs/3 FTE).

- Cyber Program Analyst (GS-13) – Conducts Program and Risk Management activities in support of new cyber initiatives. Serves as a project Manager for new cyber initiatives under the CISO, ensuring that appropriate scope, budget, resources and risk are identified, prioritized and prepared.
- Cyber Program Analyst (GS-11/12) – Conducts Performance Management and Metrics and Reporting activities on behalf of the department for the CISO. Consolidates all performance criteria into reporting measures to ensure timely reporting to all interested parties on cyber data calls.
- IT Specialist (GS-13/14) – Cyber Security Architecture – Focused on developing the department security architecture in-line with the enterprise architecture. Ensures security requirements are designed as part of the lifecycle of new systems in order to streamline cost effective systems design lifecycles (at the onset of new architectural design).
- Compliance Performance Specialist (GS-13) – Conducts compliance performance reviews in support of OIG FISMA findings and recommendations and in accordance with the oversight responsibilities of the Department CIO and CISO.
- Application Security Specialist (GS-11/12) – responsible for helping customers implement security controls into applications during design and operations phases. Helps ensure the testing and implementation of security capabilities according to architectural standards.
- Continuous Monitoring Specialist (GS 11/12) – Supports Federal Agency Continuous Monitoring and automation activities in support of OMB memorandum M14-03 and NIST standards. Aligns systems to the risk management framework to migrate systems into a mature continuous monitoring, full operations capability.

Also included is a \$695,558 redirection of resources from the Research and Technology appropriation to fund 4 positions and FTE from the integration of RITA into OST.

- Senior Technology Strategy Advisor (ST)
- Project Manager (GS-15)
- Information Security Specialist (GS-15)
- Program Analyst (GS-12)

DOT CIO also requests a program increase of \$353K to fully fund necessary interagency agreements and contracts that support accessibility requirements, government-wide cybersecurity services, security assessment and certification support for OST systems, and investment management support. Specifically, the following contracts cannot be funded without the \$353K:

- Section 508 and Web Content Accessibility Guidelines (WCAG) support and mandated customer feedback services for the website;
- Gartner technology research;
- Access to the Joint Worldwide Intelligence Communications System (JWICS), CNSS, and other cyber related interagency agreements;
- Security Assessment and Authorization (SA&A) support for OST Systems; and
- Capital Planning Investment Control (CPIC) support

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

What Benefits Will Be Provided To The American Public Through This Request?

In a time of limited resources, it is paramount to make responsible and effective business decisions related to the Department's IT infrastructure and the IT investments that enable the mission of transportation. The IT investment management and oversight are necessary to ensure that the Department is making good business systems and providing strong management. The enterprise perspective facilitates an effective IT architecture that encourages system integration and reduced duplication. The OCIO's IT Governance and Enterprise Architecture program ensure that funding is spent in alignment with the mission and goals. 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 Department in an efficient and effective manner.

The OCIO is responsible for enforcing strategies and solutions that strengthen the Department's ability to ensure the confidentiality, integrity, and availability of its vital data resources and other assets. The OCIO's Cybersecurity program addresses urgent and immediate threats to critical transportation related business operations and allows the Department to adapt continually to changing threats, vulnerabilities, and assets.

In line with the Digital Strategy, the OCIO also works to make sure data and information are available to the public. OCIO promotes collaboration and data sharing with the public and throughout the Department. OCIO will continue to focus on improving the strategy and governance for all external web properties to meet Digital Government Strategy goals of creating mobile friendly, accessible, and high value web content for the public.

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
FY 2014 Actual	\$15,695	28
FY 2015 Enacted	\$15,500	45.5
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$18	
Annualization of New Positions Requested in FY 2015	\$251	3
One Extra Compensable Day	\$28	
January 2016 Pay Raise	\$69	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$308	
FERS and FEHB Increases	\$3	
Inflation	\$23	
FY 2016 Baseline Estimate	\$15,584	48.5
<u>FY 2016 Program Changes (+/-):</u>		
Program increase for 10 new positions (FTP) and 5 associated FTE.	\$247	5
Program increase to fully fund Contractual Services	\$353	
<u>FY 2016 Redirection of Resources (+/-):</u>		
Redirection of resources associated with IT Workforce Restructuring.	\$0	7.5
Redirection of resources from the Research and Technology appropriation for 4 positions and FTEs from the integration of RITA into OST.	\$696	4
Total, FY 2016 Request	\$16,880	65

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES***Office of Public Affairs - (A)***What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$1,785	\$1,822	\$1,848	\$26
Travel	\$51	\$51	\$51	\$0
Other Costs	\$185	\$127	\$130	\$3
TOTAL	<u>\$2,020</u>	<u>\$2,000</u>	<u>\$2,029</u>	<u>\$29</u>

STAFFING

Direct Positions	17	17	17	0
Direct FTEs	12	15	15	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Office of Public Affairs is requesting \$2.029 million and an estimated 15 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Office of Public Affairs

What Is This Program And Why Is It Necessary?

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.

The Office of Public Affairs is necessary 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 Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) 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.

What Benefits Will Be Provided To The American Public Through This Request?

The Office of Public Affairs is the link to the public's right to know. The office prepares responses to inquiries on developing issues and events and presents information informing the public on Administration initiatives and stands. The office reaches out to inform the public in a variety of ways, including through public announcements and speeches, responding to the news media, by press release and through social media.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

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

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$2,020	12
FY 2015 Enacted	\$2,000	15
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$7	
January 2016 Pay Raise	\$17	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$2	
FERS and FEHB Increases	\$1	
Inflation	\$1	
FY 2016 Baseline Estimate	\$2,029	15
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-235, Division E, Section 739 (e).	-\$0.510	0
Total, FY 2016 Request	\$2,029	15

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 Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$9,464	\$9,461	\$10,424	\$962
Travel	\$20	\$20	\$20	\$0
Other Costs 1/	\$3,192	\$3,019	\$3,423	\$404
TOTAL	<u>\$12,676</u>	<u>\$12,500</u>	<u>\$13,867</u>	<u>\$1,367</u>

STAFFING

Direct Positions	65	65	72	7
Direct FTEs	46	61	66	5
Reimbursable Positions	2	3	3	0
Reimbursable FTEs	1	3	3	0

The Office of the Assistant Secretary for Budget and Programs, and CFO is requesting \$13.867 million and an estimated 66 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow. Also included is the transfer of three positions and FTE from former RITA/OST-R to Budget associated with the integration of RITA into OST.

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

What Is This Program And Why Is It Necessary?

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 the 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 currently **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 FY 2016 Budget proposes to transfer responsibility for TIFIA to the new Assistant Secretary for Innovative Finance.

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 2015 Anticipated Accomplishments:

In FY 2015, 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 will work to produce a clean annual audit by enforcing financial controls. Particular focus areas in FY 2015 will be to continue to build the credit oversight team and increase the utilization of innovative finance tools, such as TIFIA, Private Activity bonds, and Public Private partnerships.

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to the Working Capital Fund and Federal Employees Compensation Act (FECA); (5) mandated increases in the Federal share of FERS costs; and (6) an increase for an estimated 1 percent inflation as well as an estimated 66 FTEs and associated costs.

This request includes a \$1.049 million program increase, which is the net of the following: (1) \$312 thousand increase to provide half-year funding for four new positions (2 FTEs) that will carry out the budget and financial management requirements for the credit programs managed by the new Office of the Assistant Secretary for Innovative Finance; (2) \$504 thousand increase from a redirection of resources from the Research and Technology appropriation to fund three positions and FTEs from the integration of RITA into OST; (3) \$400 thousand increase for Cross Agency Priority (CAP) goals; and (4) \$167 thousand decrease in contractual services.

What Benefits Will Be Provided To The American Public Through This Request?

The Chief Financial Officer and Assistant Secretary for Budget and Programs establishes systems and provides guidance to ensure the effective preparation and presentation of sound budget estimates and financial management information for the Department; reviews policy, program, and legislative proposals to evaluate their impact on departmental budget resource and financial management

requirements and plans; and provides policy guidance and oversight of departmental financial management personnel, programs, activities, and operations.

The Office also directs and coordinates all budget development and execution activity. Further, the Office is responsible for designing and implementing the financial systems required for accurate and timely financial reporting, and for establishing financial and accounting policy and programs for the Department.

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
FY 2014 Actual	\$12,676	46
FY 2015 Enacted	\$12,500	61
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$24	
Annualization of New Positions Requested in FY 2015	\$4	0
One Extra Compensable Day	\$36	
January 2016 Pay Raise	\$89	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$138	
FERS and FEHB Increases	\$4	
Inflation	\$28	
FY 2016 Baseline Estimate	\$12,819	61
<u>FY 2016 Program Changes (+/-):</u>		
Program increase of \$312 thousand in PC&B for half-year funding of 4 new positions (2 FTEs); an increase of \$400 thousand for funding Cross Agency Priority (CAP) goals; and a decrease of \$167 in contractual services.	\$544	2
<u>FY 2016 Redirection of Resources (+/-):</u>		
Redirection of resources from the Research and Technology appropriation for 3 positions and FTEs from the integration of RITA into OST.	\$504	3
Total, FY 2016 Request	\$13,867	66

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES***Office of the General Counsel - C***What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$17,538	\$17,710	\$18,520	\$809
Travel	\$384	\$388	\$388	\$0
Other Costs	\$1,977	\$1,801	\$1,701	-\$100
TOTAL	\$19,900	\$19,900	\$20,609	\$709

STAFFING

Direct Positions	113	113	116	3
Direct FTEs	99	109	112	3
Reimbursable Positions	11	11	11	0
Reimbursable FTEs	1	9	9	0

The Office of the General Counsel is requesting a total of \$20.609 million and an estimated 112 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow. Also included is the transfer of four positions and FTE from the former RITA/OST-R to General Counsel associated with the integration of RITA into OST.

Detailed Justification for the Office of the General Counsel

What Is This Program And Why Is It Necessary?

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 and Enforcement** provides advice and legal counsel regarding actual or anticipated litigation in which DOT or one of its Operating Administrations (OAs) is or might become a party or has an interest. In any given year, DOT and its OAs are parties to numerous new cases challenging DOT's decisions, regulations, orders, and policies, or seeking to enforce DOT regulations. The Litigation Office oversees all Supreme Court cases and significant appellate cases involving the Department and coordinates Department of Justice representation in such matters, supervises the preparation of all filings before independent regulatory agencies on behalf of the Department, and provides legal advice concerning litigation risk, and pre- and post-litigation policy decisions. The matters handled directly by the office 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. The Office is also involved, as appropriate, through the filing of

amicus briefs or statements of interest, in cases between private parties that implicate DOT statutes, regulations, or policies. The Office also provides advice and guidance on OA enforcement policy and case-specific matters throughout the Department.

The **Office of Legislation** ensures that DOT's non-appropriations legislative materials submitted to Congress adhere to Administration policy. The Office's legislative support work may 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, including enrolled bill 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** 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 five 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) drafting air travel consumer, civil rights, and aviation licensing regulations; (3) providing legal guidance to DOT program offices, including review of air carrier fitness decisions; (4) serving as Public Counsel in hearing cases involving fitness and international carrier selection proceedings; and (5) 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.

Economic Competitiveness

- Percent of consumer complaints reviewed by a transportation industry analyst within two 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.

FY 2015 Anticipated 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 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 2 days of receipt by DOT; maintain a median investigation time of 100 days for civil rights complaints (disability and other discrimination); and handle between 150 and 250 items involving carrier economic authority received by DOT; 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.

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 DOT'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 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 DOT. This includes overseeing DOT's 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, and consistent statutory interpretations throughout DOT. 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 Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) an estimated 1 percent inflation increase as well as an estimated 112 FTEs and associated costs. Also included is a \$543 thousand redirection of resources from the Research and Technology appropriation to fund 3 positions and FTEs from the integration of RITA into OST. A more detailed breakdown of this request can be found in the Object Class Detail by Office exhibit.

What Benefits Will Be Provided To The American Public Through This Request?

The Office of the General Counsel provides benefits to the American Public by:

- Reviewing each of the thousands of aviation consumer complaints received by the Department.
- Maintaining a median investigation time for civil rights complaints (disability and other discrimination) of 180 days.
- Continuing to improve the air travel environment for persons with disabilities by issuing regulations that contain standards for improving access to facilities and services, and issuing guidance on existing requirements.
- Conducting on-site and other investigations of U.S. and foreign air carriers regarding compliance with consumer protection requirements.
- Conducting investigations to ensure that consumers are properly cared for during extended tarmac delays.
- Continuing to implement a 10% reduction in DOT's FOIA backlog, pursuant to the President's direction to Federal agencies.
- Providing advice and legal counsel regarding actual or anticipated litigation in which DOT or one of its Operating Administrations (OAs) is or might become a party or has an interest. Provide legal support for and facilitation of DOT's international programs.
- Providing legal advice and support in defense of DOT's programs when they are challenged administratively on judicial proceedings.
- Providing legal support to DOT program offices in their preparation of rules that will meet substantive, procedural, and Administration policy requirements.
- Providing legal support on a broad range of operational issues related to DOT's programs and strategic objectives and;
- Ensuring the Department's non-appropriations legislative materials submitted to Congress adhere to Administration policy.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

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

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$17,400	86
FY 2015 Enacted	\$17,400	94
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$39	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$60	
January 2016 Pay Raise	\$149	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$132	
FERS and FEHB Increases	\$7	
Inflation	\$9	
FY 2016 Baseline Estimate	\$17,533	94
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-235, Division E, Section 739 (e).	-\$2	0
<u>FY 2016 Redirection of Resources (+/-):</u>		
Three new positions and FTE from the integration of RITA into OST.	\$543	3
Total, FY 2016 Request	\$18,074	97

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
FY 2014 Actual	\$2,500	13
FY 2015 Enacted	\$2,500	15
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$7	
January 2016 Pay Raise	\$18	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$1	
Inflation	\$6	
FY 2016 Baseline Estimate	\$2,537	15
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-235, Division E, Section 739 (e).	-\$2	0
Total, FY 2016 Request	\$2,535	15

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

Office of the Assistant Secretary for Governmental Affairs - (I)

What Is The Request and What Funds are Currently Spent on the Program?

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ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$2,208	\$2,245	\$2,282	\$37
Travel	\$64	\$64	\$64	\$0
Other Costs	\$258	\$191	\$200	\$9
TOTAL	\$2,530	\$2,500	\$2,546	\$46

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 \$2.546 million and an estimated 17 FTEs in FY 2016 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 And Why Is It Necessary?

The Office of Governmental Affairs supports the **Organizational Excellence** strategic goal by serving as the liaison between the Department of Transportation and Congress and State, local, and tribal governmental entities. The office works with other offices within the Department to ensure that Congressional mandates are fully implemented by the Department. It also 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 working 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 Do We Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1 percent pay raise for 2016; (4) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA); (5) mandated increases in the Federal share of FERS costs; and (6) an estimated 1.3 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.

What Benefits Will Be Provided To The American Public Through This Request?

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. The office is a cornerstone to ensuring the Department's cohesive approach to legislative bodies that represent the interests of the American Public.

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
FY 2014 Actual	\$2,530	14
FY 2015 Enacted	\$2,500	17
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$6	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$9	
January 2016 Pay Raise	\$21	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$8	
FERS and FEHB Increases	\$1	
Inflation	\$2	
FY 2016 Baseline Estimate	\$2,547	17
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-235, Division E, Section 739 (e).	-\$1	0
Total, FY 2016 Request	\$2,546	17

OFFICE OF THE SECRETARY OF TRANSPORTATION**SALARIES AND EXPENSES***Office of the Assistant Secretary for Administration - (M)***What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$7,673	\$7,376	\$8,675	\$1,300
Travel	\$17	\$25	\$25	\$0
Other Costs	\$18,688	\$17,964	\$18,911	\$947
TOTAL	<u>\$26,378</u>	<u>\$25,365</u>	<u>\$27,611</u>	<u>\$2,246</u>

STAFFING

Direct Positions	59	59	60	1
Direct FTEs	43	45.5	52.5	7.0
Reimbursable Positions	9	9	9	0
Reimbursable FTEs	7	8	8	0

The Office of the Assistant Secretary for Administration is requesting \$27.611 million and an estimated 52.5 FTEs in FY 2016 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 And Why Is It Necessary?

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 (\$6 billion in FY 2013) baseline outlays. The Executive Steering Committee analyzes data, evaluates the results, and implements strategic sourcing solutions in areas that generate Department-wide savings, and since 2006 DOT has approximately \$163M in 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 2015 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:

- Create a performance culture where DOT's Operating Administrations have performance appraisal and award systems that are linked to agency mission, goals and outcomes; where fairness and equity is the perception of employees; and where human resource personnel is trained 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. Within the parameters of available funding, specific areas of OSPE focus will include the following:

- Active pursuit of the completion of 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.
- Focused engagement with OAs to facilitate 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.
- Initiating development of an in-house training program to strengthen the acquisition workforce. The training program will target training and development needs identified in the 2013 DOT Acquisition Workforce Human Capital Plan, 2014 Federal Acquisition Institute (FAI) Acquisition Workforce Competency Survey, and other known opportunities for improvement in workforce skill/knowledge gaps. The training investment will provide training opportunities for approximately 200 acquisition professionals.

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 Office of Sustainability and Safety Management (OSSM) will continue to strengthen the Department's culture of sustainability by developing long term strategic plans, guidance documents for implementation, sharing best practices, tracking performance 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 OSSM is expected to complete the following accomplishments in fiscal year 2015:

- 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.
- Updating the Department's Strategic Sustainability Performance Plan as per Executive Order 13514. Provide ongoing technical support and guidance to each of the 10 Operating Administrations regarding activities such as Energy Efficiency and Renewable Energy Consumption, High Performance Sustainable Buildings, Performance-based Contracts, Water, Waste Management, Sustainable Acquisition, Electronic Stewardship and Fleet Management to ensure the Department continues to meet the latest regulatory and legislative requirements along with organizational goals. Additionally, the office will update a guidance manual(s) for Departmental field offices for implementing the above referenced policies.

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.

ENVIRONMENTAL SUSTAINABILITY:

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 vehicle fleet petroleum use by 2020 from a FY 2005 baseline.

26 percent improvement in water efficiency by 2020 from a FY 2007 baseline.

50 percent recycling and waste diversion by 2015.

95 percent of all applicable contracts will meet sustainability requirements by 2020.

12.3 percent reduction in greenhouse gas emissions from facilities and fleets by 2020 from a FY 2008 baseline.

10.9 percent reduction in greenhouse gas emissions from employee business travel and commuting by 2020 from a FY 2008 baseline.

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) 1.3 percent pay raise for 2016; (4) adjustments to GSA rent; (5) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA); (6) mandated increases in the Federal share of FERS costs; and (7) an increase for an estimated 1 percent inflation as well as an estimated 52.5 FTEs and associated costs. Included in this request is \$ 8.004 million for the Departmental Human Resources, Acquisitions, Sustainability, and Security Oversight and Policy activities; \$7.843 million for payment of centralized administrative and support services for all OST offices, and \$9.311 million for GSA rental expenses for all OST Offices (broken out in the table below).

This request also includes a \$1.088 million increase in salaries and benefits to fund 6.5 previously authorized positions. \$98 thousand is for one additional position (.5 FTE) to begin structuring a Transportation Fringe Benefit Program Office to meet the requirements of the FYs 2014 and 2015 DOT appropriations that designated DOT as the Government-wide agent to set policies and standards for the transit benefit program. The request also includes a \$1.267 million increase to restore contractual services for the Department's Diversity and Inclusion Strategic Plan and funding for Acquisition's strategic sourcing spend analysis, performance management reviews, acquisition training program, and increases associated with new Federal investigative

standards and associated price adjustments. A more detailed breakdown of this request can be found in the Object Class by Office exhibit.

Rental Locations	FY 2015 Rental	FY 2016	Net
	Payments	Rental Payments	Increase/Decrease
Southeast Federal Center, WDC	\$ 9,063,006	\$ 9,211,459	\$ 148,453
Des Plaines, IL	\$ 63,124	\$ 72,851	\$ 9,727
Operations and Maintenance	\$ 25,239	\$ 26,500	\$ 1,261
Total:	\$ 9,151,369	\$ 9,310,810	\$ 159,441

What Benefits Will Be Provided To The American Public Through This Request?

The Office of the Senior Procurement Executive (OSPE) serves as the Executive Secretariat for the Strategic Sourcing Executive Steering Committee (SSESC) within the department. This ongoing function includes efforts to charter, staff, and oversee cross-agency spend analysis teams, comparing and analyzing (\$6 billion in FY 2013) baseline outlays. The Strategic Sourcing Executive Steering Committee analyzes data, evaluates the results, and implements strategic sourcing solutions in areas that generate Department-wide savings, and since 2006 DOT has saved approximately \$163M. The OSPE and the SSECS are implementing Phase Two of the Strategic Sourcing Charter which incorporates Management Support Services, Furniture, Cellular Services, and Software/Maintenance into the Departmental strategic sourcing plan, which are estimated to save approximately \$184M. This initiative will fully pursue savings and engage the full range of Departmental stakeholders in the spend analysis efforts.

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 personnel security order assures the American Public that criminals, terrorists and other undesirable personnel are not hired or given access to DOT's sensitive information or electronic systems.

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
FY 2014 Actual	\$26,378	43
FY 2015 Enacted	\$25,365	45.5
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$18	
Annualization of New Positions Requested in FY 2015	\$0	0.0
One Extra Compensable Day	\$28	
January 2016 Pay Raise	\$70	
GSA Rent	\$68	
Working Capital Fund and FECA Changes	-\$491	
FERS and FEHB Increases	\$4	
Inflation	\$97	
FY 2016 Baseline Estimate	\$25,158	46
<u>FY 2016 Program Changes (+/-):</u>		
A \$1.088 increase funds 6.5 additional FTE's associated with previously authorized positions and \$98 thousand and one new position (.5 FTE) to begin structuring a Transportation Fringe Benefit Program. An additional \$1.267 million will provide contractor support for: (1) Diversity and Inclusion development opportunities that will equip leaders and employees to be role models in their day-to-day job behavior; (2) conducting procurement management reviews to collect, assess, and analyze acquisition "best practices" throughout DOT and provide for an organizational structure to incorporate "lessons learned" and "best practices" into department-wide acquisition guidance and oversight; (3) continuation of in-house training programs to develop and implement training strategies, opportunities, and 'metrics collection' to ensure progress toward addressing workforce gaps and certification deficiencies to facilitate a more viable DOT acquisition workforce; (4) actively pursue a comprehensive, collaborative and structured "buying smarter" process of critically analyzing DOT current spending in various commodity areas to support the development of future buying strategies that are more effective and efficient; and (5) increases due to the new Federal investigative standards and price escalation for security background investigations.		
	\$2,453	7
Total, FY 2016 Request	\$27,611	53

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

Office of the Assistant Secretary for Innovative Finance

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$893	\$893
Travel	\$0	\$0	\$36	\$36
Other Costs	\$0	\$0	\$1,071	\$1,071
TOTAL	\$0	\$0	\$2,000	\$2,000

STAFFING

Direct Positions	0	0	12	12
Direct FTEs	0	0.0	6.0	6.0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

Detailed Justification for the Office of the Assistant Secretary for Innovative Finance

What Is This Program/Activity?

The Office of the Assistant Secretary for Innovative Finance will be a new office within the Office of the Secretary of Transportation and will be responsible for the technical assistance, outreach, and program execution of the Department's innovative finance programs in order to consolidate finance expertise, increase technical capacity and establish a more consistent and efficient approach to these programs. This office supports the **Organizational Excellence** strategic goal by assisting the Secretary to improve the state of the nation's transportation infrastructure. Specific responsibilities are discussed below.

DOT's financial experts are currently spread throughout DOT, both within the Office of the Secretary and at the modal program offices. This has made it difficult for potential borrowers to determine precisely who to contact when pursuing a new credit agreement, and, from the Department's perspective, has resulted in less-than-efficient use of the expertise of key financial professionals. The Office will (1) consolidate the program management of the TIFIA, RRIF, Title XI and PABs programs and (2) formalize and consolidate the Department's advising and outreach on technical assistance for innovative finance. While consolidating program management and technical assistance, the office will serve as a robust storefront for both potential borrowers and lenders through the Build America Transportation Investment Center. The expertise from each of the programs will be used to develop a best practices approach to be used across all programs.

The consolidation of program management will allow the staff of TIFIA from OST-B, RRIF from FRA, Title XI from MARAD and PABs from OST-P to work side by side and better leverage the finance expertise of their colleagues. Programmatic expertise from the modes will continue to be fed into these teams to assist with the credit analysis of each project. In addition, each program will continue to receive funding through its existing authorization and appropriation channels. The funds will then be allocated to and managed by the Office of the Chief Financial Officer for the Office of the Secretary.

Through its advising and technical assistance work, the Office will also be responsible for proactively marketing the Department's financing tools throughout the Country, creating public awareness and an open forum for feedback and program improvement via sources such as regional seminars, webinars, and an interactive website.

These two functions will be separate and distinct from each other to ensure the proper internal controls exist between the advising and credit evaluation activities of the Department, while their collocation will allow for collaborative work on best practices and innovative approaches to project finance.

In addition, to ensure the proper checks and balances continue across the innovative finance portfolio, the Office of Credit Oversight and Risk Management will remain in the Office of the Chief Financial Officer and Assistant Secretary for Budget and Programs. Thus the new Assistant Secretary will

have responsibility for project outreach and credit program execution, while the CFO will continue to set Department wide policy for the credit programs and oversee the programs to ensure credit transactions meet these standards. Finally, the CFO will continue to manage the Department's Credit Council and Credit Council Working Group, which serves as the oversight body of the innovative finance programs.

FY 2015 Anticipated Accomplishments

On July 17, 2014, the President announced a government-wide initiative to increase infrastructure investment and economic growth by engaging with state and local governments and private sector investors to encourage collaboration, expand the market for public-private partnerships (PPPs) and put federal credit programs to greater use. Starting with the transportation sector, this initiative will harness the potential of private capital to complement government funding.

A major part of the initiative is the new Build America Transportation Investment Center at the Department of Transportation. This team was created in July 2014 using existing resources from OST-B, OST-P and the OAs to serve as a one-stop shop for state and local governments, public and private developers, and investors seeking to utilize innovative financing strategies for transportation infrastructure projects. Through this website and hands-on support, advice, and expertise, the center provides navigator services for all types of projects and project sponsors.

The efforts of the center are limited by existing resources in FY 2015. The FY 2016 budget would build on those efforts. A portion of the funding and staffing requested for the new Office of the Assistant Secretary for Innovative Finance will be used to provide permanent staffing and resources for the BATIC.

Why is This Particular Function Necessary?

The Department manages several programs that provide project finance assistance to State, local, and private project sponsors. Project finance gives State and local project sponsors the ability to accelerate the delivery of needed infrastructure projects, often in partnership with private sector investors. These programs are located throughout US DOT. Based on discussions with stakeholders, the US DOT believes that co-locating these programs under one roof would enable the stakeholders to identify more readily the available opportunities. Having one point of contact at the US DOT for their projects would enable them to work more efficiently and understand all of the project finance options at the Department. In addition, the current credit programs are housed in different modes with varying levels of financial expertise. Consolidating these activities will ensure that each program has sufficient technical expertise and will result in stronger credit transactions for all programs. This new structure will increase the understanding and use of best practices across programs.

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

The FY 2016 budget request includes \$2 million and 12 positions (6 FTEs) to establish the new Office of the Assistant Secretary for Innovative Finance. This funding includes salaries and expenses

for 1 new Assistant Secretary position, 2 new Deputy Assistant Secretary positions, and 9 positions to support the effort. The Deputy Assistant Secretary will manage the Department's credit outreach and advising through the Build America Transportation Investment Center efforts. The other Deputy Assistant Secretary will manage the TIFIA, RRIF, Title XI and PABs programs. Current modal and OST employees working on these programs and initiatives will join the staff of the two Deputy Assistant Secretaries. Existing funding for each program will continue to through its existing authorization and appropriation channels. The funds will then be allocated to and managed by the Office of the Chief Financial Officer for the Office of the Secretary. A more detailed breakdown of this request can be found in the Object Class by Office exhibit.

What Benefits Will Be Provided to the American Public through this Request?

This new Office will support increased investment in U.S. infrastructure, by providing hands-on expertise and project support; improve access to existing USDOT programs and resources; facilitate sharing of best practices and successful strategies, including those that support job creation and protections for labor standards, as well as numerous resources and guides to help project sponsors evaluate innovative financing options. By providing additional technical assistance and project finance expertise to interested parties, the Office will be able to help individual project sponsor explore and develop a robust pipeline of projects. Ultimately this will result in additional projects being built around the country and support the Administration's efforts to address the Nation's infrastructure deficit.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SALARIES AND EXPENSES

Explanation of Funding Changes
for the
Office of the Assistant Secretary for Innovative Finance
(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$0	0
FY 2015 Enacted	\$0	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
FY 2016 Baseline Estimate	\$0	0
<u>FY 2016 Program Changes (+/-):</u>	\$2,000	6
Total, FY 2016 Request	\$2,000	6

Section 3 - FY 2016 Budget Request by Appropriation

**SALARIES AND EXPENSE APPROPRIATION
FY 2015 ENACTED
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 THE 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 ADMIN (M)	TOTAL
a. PC&B COSTS													
PERSONNEL COMP. & BENEFITS													
(1) FTP COSTS	899	365	6,473	1,231	1,062	6,278	5,281	808	6,322	13,373	921	5,812	48,827
(2) OTIFTP COSTS	823	386	519	12	0	24	162	538	344	545	725	12	4,089
(3) OTHER COMPENSATION	0	0	31	0	0	399	80	0	0	0	0	0	510
SUBTOTAL COMPENSATION	1,722	751	7,023	1,244	1,062	6,702	5,523	1,346	6,666	13,918	1,647	5,824	53,426
b. PERSONNEL BENEFITS	481	178	1,985	350	286	1,954	1,520	476	2,795	3,793	598	1,552	15,967
SUBTOTAL, PC&B	2,203	929	9,008	1,593	1,347	8,656	7,042	1,822	9,461	17,710	2,245	7,376	69,393
2. TRAVEL	202	35	134	2	0	375	15	51	20	388	64	25	1,311
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	9,151	9,151
5. COMM., UTIL., & MISC.	0	0	66	3	0	5	1	0	0	64	0	0	139
6. PRINTING & REPRODUCTION	0	0	0	0	0	0	0	0	0	303	0	0	303
7. OTHER SERVICES	243	42	566	115	67	1,549	8,421	127	2,967	1,342	171	8,803	24,413
8. SUPPLIES & MATERIALS	48	5	20	1	0	15	10	0	39	92	20	10	260
9. EQUIPMENT	0	0	3	0	0	0	10	0	14	0	0	0	27
SUBTOTAL, OTHER COSTS	493	82	792	121	67	1,944	8,458	178	3,039	2,190	255	17,989	35,607
TOTAL	2,696	1,011	9,800	1,714	1,414	10,600	15,500	2,000	12,500	19,900	2,500	25,365	105,000

STAFFING DIRECT	POSITIONS FTE	REIMBURSABLE POSITIONS FTE
15	7	89 1/2
13.00	7.00	76.00 1/2
8	0	0
7.50	0.00	0.00

1/ Includes 4 positions and FTE associated with SCASDP.

Section 3 - FY 2016 Budget Request by Appropriation

**SALARIES AND EXPENSE APPROPRIATION
FY 2016 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 INTEL., 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 ADMIN (M)	ASSIST SEC FOR INFR. INVEST (H)	TOTAL
a. PC&B COSTS														
PERSONNEL COMP. & BENEFITS	913	371	7,557	1,251	0	6,378	7,605	821	7,057	14,003	936	6,783	#REF!	#REF!
(1) FTP COSTS	836	392	527	13	0	24	164	546	349	553	737	12	#REF!	#REF!
(2) OT/FP COSTS	0	0	0	0	0	406	96	0	0	0	0	0	#REF!	#REF!
(3) OTHER COMPENSATION														
SUBTOTAL COMPENSATION	1,749	763	8,084	1,263	0	6,808	7,865	1,367	7,407	14,556	1,673	6,795	#REF!	#REF!
b. PERSONNEL BENEFITS	490	179	2,295	352	0	1,990	2,163	480	3,017	3,964	609	1,881	#REF!	#REF!
SUBTOTAL, PC&B	2,239	942	10,378	1,615	0	8,798	10,028	1,848	10,424	18,520	2,282	8,675	#REF!	#REF!
2. TRAVEL & TRANS. OF PERS.	202	35	184	2	0	375	15	51	20	388	64	25	#REF!	#REF!
3. TRANSPORTATION	0	0	3	0	0	0	0	0	0	0	0	0	#REF!	#REF!
4. RENTAL PAYMENTS TO GSA	0	0	0	0	0	0	0	0	0	0	0	9,311	#REF!	#REF!
5. COMM., UTIL., & MISC.	0	0	67	3	0	5	1	0	0	64	0	0	#REF!	#REF!
6. PRINTING & REPRODUCTION	0	0	0	0	0	0	0	0	0	306	0	0	#REF!	#REF!
7. OTHER SERVICES	245	42	1,132	148	0	1,596	6,815	130	3,370	1,237	180	9,590	#REF!	#REF!
8. SUPPLIES & MATERIALS	48	5	25	1	0	19	10	0	39	93	20	10	#REF!	#REF!
9. EQUIPMENT	0	0	6	0	0	0	10	0	14	0	0	0	#REF!	#REF!
SUBTOTAL, OTHER COSTS	496	82	1,417	154	0	1,995	6,851	181	3,443	2,089	264	18,936	#REF!	#REF!
TOTAL	2,734	1,025	11,796	1,769	0	10,793	16,880	2,029	13,867	20,609	2,546	27,611	#REF!	#REF!
STAFFING														
DIRECT POSITIONS FTE	15	7	95 1/2	15	0	55	71	17	72	116	18	60	#REF!	#REF!
REIMBURSABLE POSITIONS FTE	14.00	7.00	89.00 1/2	14.00	0.00	53.00	65.00	15.00	67.00	112.00	17.00	52.50	#REF!	#REF!
TOTAL POSITIONS FTE	8	0	0	0	0	0	0	0	3	11	0	9	#REF!	31
TOTAL POSITIONS FTE	8.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.00	9.00	0.00	8.00	#REF!	28.00

1/ Includes 4 positions and FTE associated with SCASDP.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code	FY 2014	FY 2015	FY 2016
69-0102-0-1-407	Actual	Enacted	Request
Obligations by program activity:			
0001 General Administration	103,306	108,552	117,209
0002 SCASDP Grants	10,425	8,357	0
0003 Relocate Production Servers	1,758	0	0
0100 Direct program activities, subtotal	115,489	116,909	117,209
0801 Reimbursable program	4,834	8,700	8,801
0900 Total new obligations	120,323	125,609	126,010
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	14,348	10,700	1,343
1012 Unobligated balance transfers between expired/unexpired	2,050	0	0
1021 Resources available from recoveries of prior year obligations	2,822	0	0
1050 Unobligated balance (total)	19,220	10,700	1,343
Budget Authority: appropriations, discretionary			
1100 Appropriation	107,000	105,000	113,657
1130 Appropriations permanently reduced (disc)	0	0	0
1160 Appropriations, discretionary (Total)	107,000	105,000	113,657
Spending authority from offsetting collections, discretionary:			
1700 Collected	11,684	11,252	12,353
1701 Change in uncollected payments, Federal sources	-155	0	0
1723 New/Unob. Balances Temp Reduced	0	0	0
1750 Total Spending authority	11,529	11,252	12,353
1900 Budget Authority (Total)	118,529	116,252	126,010
1930 Total Budgetary Resources Available	137,749	126,952	127,353
Memorandum (non-add) entries:			
1940 Unobligated Balance Expiring	-6,726	0	0
1941 Unexpired unobligated balance, end of year	10,700	1,343	1,343
Change in obligated balance:			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	35,996	46,167	21,916
3010 Obligations incurred, unexpired accounts	120,323	125,609	126,010
3011 Obligations incurred, expired accounts	523	0	0
3020 Obligated balance, Outlays (gross)	-105,977	-149,860	-125,144
3040 Recoveries of prior year unpaid obligations, unexpired	-2,822	0	0
3041 Recoveries of prior year unpaid obligations, expired	-1,876	0	0
3050 Unpaid obligations, end of year	46,167	21,916	22,782
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward Oct 1	14	323	323
3070 Change in uncollected pymts, Fed sources, unexpired	155	0	0
3071 Change in uncollected pymts, Fed sources, expired	154	0	0
3090 Uncollected pymts, Fed sources, end of year	323	323	323
Memorandum (non-add) entries:			
3100 Obligated balance, start of year	36,010	46,490	22,239
3200 Obligated balance, end of year	46,490	22,239	23,105
Budget Authority and outlays, net:			
4000 Budget authority, gross	118,529	116,252	126,010
Outlays, gross:			
4010 Outlays from new discretionary authority	92,754	105,752	114,644
4011 Outlays from discretionary balances	13,223	44,108	10,500
4020 Outlays, gross (Total)	105,977	149,860	125,144
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	-10,276	-8,700	-9,801
4033 Non-Federal sources	-1,575	-2,552	-2,552
4040 Total offsetting collection (cash)	-11,851	-11,252	-12,353
Additional offsets against gross budget authority only:			
4050 Chg in Uncollected pymts, Fed Sources (unexpired)	155	0	0
4052 Offsetting collections credited to expired accounts	167	0	0
4060 Additional offsets against budget authority only (total)	322	0	0
4070 Budget authority, net (discretionary)	107,000	105,000	113,657
4080 Outlays, net (discretionary)	94,126	138,608	112,791
4180 Budget authority, net (total)	107,000	105,000	113,657
4190 Outlays, net (total)	94,126	138,608	112,791

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SALARIES & EXPENSES

OBJECT CLASSIFICATION

(In thousands of dollars)

Identification Code		FY 2014	FY 2015	FY 2016
69-0102-0-1-407		ACTUAL	ENACTED	REQUEST
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	40,795	49,577	55,103
11.3	Other than full-time permanent	4,187	4,089	4,154
11.5	Other personnel compensation	<u>639</u>	<u>510</u>	<u>502</u>
11.9	Total personnel compensation	45,621	54,176	59,759
12.1	Civilian personnel benefits	12,744	16,217	17,849
21.0	Travel and transportation of persons	1,109	1,314	1,400
23.1	Rent	8,868	9,151	9,311
23.3	Communications, utilities and misc.	179	137	140
24.0	Printing	884	303	306
25.2	Other services - Other	11,855	8,073	9,897
25.3	Other services - Federal	21,663	18,894	18,214
26.0	Supplies and materials	428	260	282
31.0	Equipment	1,711	27	52
41.00	Grants, subsidies and contributions	10,425	8,357	0
42.00	Insurance claims & Indemnity	0	<u>0</u>	<u>0</u>
99.0	Subtotal, direct obligations	115,489	116,909	117,209
99.0	Reimbursable obligations	<u>4,834</u>	<u>8,700</u>	<u>8,801</u>
99.9	Total obligations	120,323	125,609	126,010

PERSONNEL SUMMARY

Identification Code		FY 2014	FY 2015	FY 2016
69-0102-0-1-407		ACTUAL	ENACTED	REQUEST
1001	Total compensable workyears:			
	Full-time equivalent employment	394.00	465.00	510.50
2001	Reimbursable workyears:			
	Full-time equivalent employment	15.00	27.50	28.00

OFFICE OF THE SECRETARY OF TRANSPORTATION

SMALL COMMUNITIES AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$473	\$480	\$0	-\$480
Travel	\$4	\$4	\$0	-\$4
Other Costs	\$4,523	\$5,016	\$0	-\$5,016
TOTAL	\$5,000	\$5,500	\$0	-\$5,500

STAFFING

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

SCASDP is requesting \$6 million from FAA's Airport Improvement Program and 4 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SMALL COMMUNITIES AIR SERVICE DEVELOPMENT PROGRAM (SCASDP)

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$5,000	4
FY 2015 Enacted	\$5,500	4
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$1	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$2	
January 2016 Pay Raise	\$5	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$4	
FY 2016 Baseline Estimate	\$5,512	4
<u>FY 2016 Program Changes (+/-):</u>		
A total of \$6 million and 4 FTEs is requested for this program in FY 2016 funded by a transfer from FAA's Airport Improvement Program.	-\$5,512	0
Total, FY 2016 Request	\$0	4

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 2014	FY 2015	FY 2016
69-0106-0-1-401	Actual	Enacted	Request
Change in obligated balance:			
3000 Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	277,890	187,120	7,809
3020 Ob Bal: Outlays (gross)	-89,938	-179,311	-7,809
3040 Total outlays (gross)	-89,938	-179,311	-7,809
3041 Ob Bal: Recov, prior year unpaid obs, exp accts	-832	0	0
3050 Obligated balance, end of year	187,120	7,809	0
Outlays (gross), detail:			
4011 Outlays from discretionary balances	89,938	179,311	7,809
4190 Outlays, net (total)	89,938	179,311	7,809

OFFICE OF THE SECRETARY OF TRANSPORTATION

FINANCIAL MANAGEMENT CAPITAL

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$7,000	\$5,000	\$5,000	\$0
TOTAL	<u>\$7,000</u>	<u>\$5,000</u>	<u>\$5,000</u>	<u>\$0</u>
<u>STAFFING</u>				
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 2016 to complete the mission outlined on the following pages.

Detailed Justification for Financial Management Capital

What Is This Program/Activity and Why is it Necessary?

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

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

On May 2, 2014, DOT was designated by the Office of Management and Budget (OMB) and Treasury's Office of Financial Innovation and Transformation as a federal shared service provider for financial management. With this designation, DOT has the opportunity to provide financial services to multiple cabinet level agencies. In order to best serve our customers, DOT has an immediate need to implement a new reporting solution that will provide more detailed and granular financial reporting capabilities to provide financial dashboards for executive level decision making. In addition, the Department's current reporting tool, Oracle's Discoverer, is currently at the end of product life and Oracle does not have plans to continue supporting the tool. Along with a reporting solution, DOT needs to stand up a data warehouse from which the reporting solution will query and analyze data. The FY 2015 budget submission requested \$5 million to complete the transition from the current reporting tool to a new reporting solution and, based on available information at that time, stated that it would be the final funding request for this project. Since the submission of the FY 2015 budget to Congress, DOT has completed the business case for the new reporting solution and data warehouse that better define DOT's needs, specifically as a shared service provider. These additional FY 2016 funds, along with other supporting funds detailed below, will ensure that DOT's reporting needs are being met. Furthermore, DOT's other federal customers will also benefit from this new solution and data warehouse.

In addition to complying with government wide reporting requirements, the deployment of a new reporting solution and a data warehouse, will better position DOT and its customers to comply with Federal laws, regulations and standards, including the:

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

The improved reporting tool and data warehouse will also provide a better end user experience. The data warehouse offers an access layer called a data mart which enables customer specific

reporting enhancements. Customer specific data marts will allow the customer to use specific business rules to generate custom reports, use unique report labels based on the customer needs, and provide customers the ability to create unique adhoc reports. The reporting solution will also standardize global common reports which will provide efficiency in maintaining those reports. The reporting solution will also provide better visualization of the data and provide program managers with better detailed information to aid in decision making.

Timeframe for Key Outcomes & Current Status of Funds. 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 was completed in May 2014. The final phase of the FSM initiative is the development of an improved reporting solution and data warehouse which will begin in FY 2015. The transition to the Oracle Core Financials Release 12 was carefully managed to ensure the maximum amount of R12 funding would be available to help support this final phase of FSM. We have also worked with the other stakeholders to help support this final phase and anticipate the following funds to be available, but are in need of final FY 2016 funding to fund anticipated work and contract support in FY 2016.

Remaining R12 upgrade funds:	\$7 million
FY 2015 enacted:	\$5 million
FY 2016 budget request:	\$5 million
Federal Aviation Administration funds:	\$3 million
Franchise funds:	<u>\$5 million</u>
Total funds to complete:	\$25 million

FY 2015 Anticipated Accomplishments

Development will start at the beginning of FY 2015, followed by deployment in late FY 2016, and completion in FY 2017.

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

The FY 2016 budget request includes \$5 million, which is equal to the \$5 million requested in FY 2015. This funding request is expected to bring the FSM initiative to a close.

What benefits will be provided to the American Public through this request?

The American public will benefit from a new reporting solution and data warehouse with better accuracy of financial information and improved transparency in spending data. The data warehouse and reporting solution will be key assets in providing data to USASPENDING.GOV and ensure that DOT and the other agencies it serves are compliant with all federal regulations regarding financial data reporting.

OFFICE OF THE SECRETARY OF TRANSPORTATION

FINANCIAL MANAGEMENT CAPITAL

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$7,000	0
FY 2015 Enacted	\$5,000	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$50	
FY 2016 Baseline Estimate	\$5,050	0
<u>FY 2016 Program Changes (+/-):</u>		
Decrease to absorb inflation costs.	-\$50	0
Total, FY 2016 Request	\$5,000	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code 69-0116-0-1-407	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
Obligations by program activity:			
00.01 Financial Management Capital	12,358	8,729	5,000
09.00 Total new obligations (object class 25.2)	12,358	8,729	5,000
Budgetary resources available for obligation			
10.00 Unobligated balance available, Oct 1	7,491	3,729	0
10.21 Recoveries of prior year unpaid obligations	1,596	0	0
10.50 Unobligated balance (total)	9,087	3,729	0
Budget Authority: Appropriations, discretionary:			
11.00 Appropriation	7,000	5,000	5,000
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	7,000	5,000	5,000
Spending authority from offsetting collections, discretionary:			
17.00 Collected	0	0	0
17.50 Total Spending authority	0	0	0
19.00 Budget Authority	7,000	5,000	5,000
19.30 Total Budgetary Resources Available	16,087	8,729	5,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	3,729	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	1,837	235	1,000
30.10 Obligations incurred, unexpired accounts	12,358	8,729	5,000
30.20 Outlays (gross)	-12,364	-7,664	-5,000
30.40 Recoveries of prior year unpaid obligations, unexpired	-1,596	0	0
30.50 Unpaid obligations, end of year (gross)	235	1,000	1,000
31.00 Obligated balance, start of year (net)	1,837	235	1,000
32.00 Obligated balance, end of year (net)	235	1,000	1,000
Budget Authority and outlays, net:			
40.00 Budget authority, gross	7,000	5,000	5,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	6,695	4,000	4,000
40.11 Outlays from discretionary balances	5,669	3,964	1,000
40.20 Outlays, gross (total)	12,364	7,964	5,000
Offsets against gross budget authority and outlays:			
40.30 Federal sources	0	0	0
40.33 Non-Federal sources	0	0	0
40.40 Offset against gross budget authority and outlays (total)	0	0	0
41.80 Budget authority, net (total)	7,000	5,000	5,000
41.90 Outlays, net (total)	12,364	7,964	5,000

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

FINANCIAL MANAGEMENT CAPITAL

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0116-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
25.2 Other services	9,753	8,729	5,000
31.4 Equipment - ADP Software	2,605	0	0
Total Obligations	12,358	8,729	5,000

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
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 Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$6,650	\$6,207	\$6,299	\$92
Travel	\$48	\$48	\$48	\$0
Other Costs	\$2,853	\$3,345	\$3,331	-\$14
TOTAL	<u>\$9,551</u>	<u>\$9,600</u>	<u>\$9,678</u>	<u>\$78</u>
<u>STAFFING</u>				
Direct Positions	55	55	55	0
Direct FTEs	39	53	53	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Departmental Office of Civil Rights is requesting \$9.678 million and an estimated 53 FTE's in FY 2016 to accomplish the mission on the pages to follow.

Detailed Justification for the Office of Civil Rights

What Is This Program And Why Is It Necessary?

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 that 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 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 2015 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 275 DBE appeal decisions during FY 2015.
- Develop and implement an effective dispute resolution program by increasing the use of Alternative Dispute Resolution (ADR) and reducing complaint processing timeframes.
- Oversee and monitor the Department's Disadvantaged Business Enterprise (DBE) program, including
 - Analyzing, assessing, evaluating and reporting Departmental DBE program performance measures and objectives;
 - Conducting a study of Federal Aviation Administration and Federal Transit Administration DBE programs;
 - Conducting stakeholder meetings to discuss DBE utilization, training needs, and other topics;
 - Coordinating and overseeing Departmental DBE training to ensure accurate, targeted, and timely training for internal personnel and external stakeholders.

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 – The Disadvantaged Business Enterprise (DBE) program is the Department's most effective tool at remedying ongoing discrimination and the continuing effects of past discrimination against women and minorities in federally-assisted highway, transit, airport, and highway safety financial assistance transportation contracting markets nationwide. As in past surface reauthorizations, which were passed by Congress and signed by the President, our most recent legislation, the Moving Ahead for Progress in the 21st Century Act, expressed the continued need for the DBE program due to the discrimination and related barriers that pose significant obstacles for minority and women-owned businesses seeking to work on federally-assisted surface transportation projects. The DBE program provides a ladder of opportunity for small businesses. One of the program's primary objectives is the leveling of the playing field for small businesses owned and controlled by socially and economically disadvantaged individuals so that they may compete fairly for federally-funded contracts let by State and local transportation agencies, local transit authorities, and airports in an environment free from discrimination.

One of DOCR's major responsibilities, by regulation, is to adjudicate and issue written decisions on administrative appeals filed by DBE and Airport Concession DBE (ACDBE) applicants to the program that have been denied certification or existing firms that were decertified by a highway, transit, or aviation recipient. In fiscal year 2012-2014, DOCR received 244, 283, and 194 appeals respectively. The number of appeals continues to be high. This is due in part to the large amount of transportation funding extended to recipients through the Department's surface and aviation reauthorizations, which mandate the program, and the continued need for the program's existence in several transportation infrastructure sectors. To render final appeal decisions, Federal staff and experts contracted to DOT, analyze recipients' and applicant material, which contain tax returns, personal net worth statements of assets and liabilities, financial account statements and corporate documents, business contracts, résumés of owners, and other material. Contractual support of \$300 thousand is used to assist with DBE appeal processing.

In April 2013, the Department's Office of Inspector General (OIG) released a report on weaknesses it perceived in the DBE Program. DOCR created an Internal Plan of Action Working Group (IPAWG) to respond to the OIG's recommendations. The group is comprised of staff members from DOCR, the OAs, General Counsel's Office, and the Office of Small and Disadvantaged Business Utilization (OSDBU). The IPAWG helped the Department achieve

closure on several recommendations. The IPAWG is developing a curriculum plan to support DOCR's train-the-trainer program and DBE Academy is being coordinated jointly with DOCR's Policy and Quality Control Division.

The work of the IPAWG aligns with a February 2014 Order signed by Secretary Anthony Foxx (Order 4220.1) on coordination and oversight of the DBE program. This Order defines roles and responsibilities within the Department responsible for supporting and overseeing the implementation of the DBE program. The Order articulates our overall objective to ensure that (1) the DBE program is administered properly, (2) all regulatory provisions are appropriately implemented by our recipients, and (3) information about the program and its administration is communicated by the Department in a consistently clear and unified way, to all parties and stakeholders. The order designated DOCR as the lead office in OST for the DBE program, including overseeing and providing guidance to the OAs and responding to policy questions on behalf of the Secretary. These tasks are delegated to DOCR's External Civil Rights Programs Division. DOCR collects and compiles DBE utilization data submitted by the OAs and will perform trend analysis as required by the Order. DOCR communicates the Secretary's DBE oversight expectations and established an oversight mechanism to ensure that the OAs carry out their oversight, compliance, and enforcement responsibilities for the DBE program, including how well they gauge recipient post-contract award monitoring. DOCR created and houses a centralized data system to collect DBE Uniform Report information so that we can measure the effectiveness of the program and achieve greater transparency on DBE commitments, awards, and payment data, which is required by Regulation. DOCR also has embarked on developing a "train-the-trainer" program for OA staff so that they may deliver consistent training and guidance to their recipients on all aspects of the DBE program.

In fiscal year 2016, DOCR and OSDDBU will develop a comprehensive approach to address the question how best to expand the number of DBEs utilized on federally-assisted projects. DOCR is planning to conduct one-day regional summits through the OSDDBU resource centers located throughout the country over a 12-month period that will include the following elements: (1) an interactive exchange with stakeholders in the region on DBE utilization, (2) DBE workshop/training on rights/responsibilities/accessing opportunities, and (3) compiling best practices used by recipients to open more doors for new and existing DBEs. The plan is an alternative to one of the OIG's 2013 DBE audit recommendations suggesting that DOT require recipients to collect data on the number of contracts actually received by each DBE since certification and the number of years the DBE has been in the program.

Contractual support of \$235 thousand is used to assist in the improvement of the DBE program through stakeholder outreach, continuation of DBE study on utilization, and elements of the train-the-trainer program.

Compliance Operations – DOCR ensures appropriate and expeditious processing of formal Federal sector EEO complaints and provides a platform for employees, former 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. 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 150 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 Operating Administrations and the Federal Shared Neutrals 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 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 \$575 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. Contractual support of \$1,249 thousand is used for IT, national and regional infrastructure, applications and databases supporting its automated business environments.

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund and Federal Employees Compensation Act (FECA); (5) mandated increases in the Federal share of FERS costs; and (6) an increase for an estimated 1 percent inflation as well as an estimated 53 FTEs and associated costs.

What Benefits Will Be provided To The American Public Through This Request?

The Department of Transportation's Civil Rights Program ensures Federal transportation initiatives are aligned with civil rights laws. The Department of Transportation, Office of the Secretary, Office of Civil Rights (DOCR) enforces laws and regulations that prohibit discrimination on the basis of race, color, national origin, sex, disability and age in employment

and the provision of services. DOCR is responsible for ensuring that DOT does not discriminate against its employees or applicants for employment nationwide, and that DOT conducts programs supporting the general public free of discrimination. In addition, the office is responsible for ensuring that recipients of Federal transportation funds conduct their programs, services and activities in a nondiscriminatory manner.

OFFICE OF THE SECRETARY OF TRANSPORTATION

OFFICE OF CIVIL RIGHTS

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$9,551	39
FY 2015 Enacted	\$9,600	53
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$15	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$24	
January 2016 Pay Raise	\$59	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$33	
FERS and FEHB Increases	\$3	
Inflation	\$25	
FY 2016 Baseline Estimate	\$9,692	53
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-235, Division E, Section 739(e) and decrease in contractual services.	-\$14	0
Total, FY 2016 Request	\$9,678	53

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-0118-0-1-407			
Obligations by program activity:			
00.01 Office of Civil Rights	8,453	9,600	9,678
09.00 Total new obligations	8,453	9,600	9,678
Budget Authority:			
Appropriations, discretionary:			
11.00 Appropriation	9,551	9,600	9,678
11.30 Appropriation permanently reduced	0	0	0
11.60 Appropriation, discretionary (Total)	9,551	9,600	9,678
19.00 Budget Authority (total)	9,551	9,600	9,678
19.30 Total Budgetary Resources Available	9,551	9,600	9,678
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
Obligated balance, start of year (net):			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	2,106	1,661	960
30.10 Obligations incurred, unexpired accounts	8,453	9,600	9,678
30.11 Obligations incurred, expired accounts	28	0	0
30.20 Outlays (gross)	-8,636	-10,301	-9,670
30.41 Recoveries of prior year unpaid obligations, expired	-290	0	0
30.50 Unpaid obligations, end of year (gross)	1,661	960	968
Uncollected payments:			
30.60 Uncollected cust pymts, brought forward Oct. 1	0	0	0
30.71 Change in uncollected cust pymts, Fed sources, expired	0	0	0
30.90 Change in uncollected pymts, Fed sources, unexpired	0	0	0
31.00 Obligated balance, start of year (net)	2,106	1,661	960
32.00 Obligated balance, end of year (net)	1,661	960	968
Budget Authority and outlays, net:			
40.00 Budget authority, gross	9,551	9,600	9,678
Outlays, gross:			
40.10 Outlays from new discretionary authority	7,313	8,640	8,710
40.11 Outlays from discretionary balances	1,323	1,661	960
40.20 Outlays, gross (total)	8,636	10,301	9,670
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
40.30 Federal sources	0	0	0
40.33 Non-Federal sources	0	0	0
40.40 Total offsetting collection (cash)	0	0	0
Additional offsets against gross budget authority only:			
40.50 Chg in Uncollected cust orders fm Fed Sources (unexpired)	0	0	0
40.52 Offsetting collections credited to expired accounts	0	0	0
40.60 Additional offsets against gross budget authority only (total)	0	0	0
41.80 Budget authority, net (total)	9,551	9,600	9,678
41.90 Outlays, net (total)	8,636	10,301	9,670

Section 3 - FY 2016 Budget Request by Appropriation
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

OFFICE OF CIVIL RIGHTS

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code		FY 2014	FY 2015	FY 2016
69-0118-0-1-407		ACTUAL	ENACTED	REQUEST
	Direct obligations:			
	Personnel compensation:			
11.1	Full-time permanent	4,012	4,630	4,703
11.3	Other than full-time permanent	47	0	0
11.5	Other personnel compensation	10	0	0
11.9	Total personnel compensation	4,069	4,630	4,703
12.1	Civilian personnel benefits	1,116	1,578	1,596
21.0	Travel and transportation of persons	83	48	48
23.3	Communications, utilities and misc.	13	29	29
24.0	Printing	6	11	11
25.0	Other contractual services	0	0	0
25.1	Advisory and assistance	1,032	1,236	1,235
25.2	Other services	465	342	345
25.3	Other goods and services from Federal source	1,118	1,051	1,028
25.7	Operation and maintenance of equipment	464	625	632
26.0	Supplies and materials	26	51	51
31.0	Equipment	50	0	0
42.0	Insurance claims and indemnities	11	0	0
99.9	Total obligations	8,453	9,600	9,678

PERSONNEL SUMMARY

Identification Code		FY 2014	FY 2015	FY 2016
69-0118-0-1-407		ACTUAL	ENACTED	REQUEST
1001	Total compensable workyears:			
	Full-time equivalent employment	39	53	53

OFFICE OF THE SECRETARY OF TRANSPORTATION
SMALL AND DISADVANTAGED BUSINESS UTILIZATION and OUTREACH
(formerly MINORITY BUSINESS OUTREACH)

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$574	\$583	\$1,960	\$1,376
Travel	\$40	\$19	\$19	\$0
Other Costs	\$2,474	\$2,497	\$2,539	\$43
TOTAL	<u>\$3,088</u>	<u>\$3,099</u>	<u>\$4,518</u>	<u>\$1,419</u>

STAFFING

Direct Positions	4	4	13	9
Direct FTEs	3	4	13	9
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

Small and Disadvantaged Business Utilization and Outreach is requesting \$4.518 million and an estimated 13 FTEs to accomplish the mission outlined on the pages that follow. This request includes funding formerly requested in the Salaries and Expenses appropriation for the Office of Small Disadvantaged Business Utilization plus funding for the Minority Business Outreach appropriation.

Detailed Justification for the Small and Disadvantaged Business Utilization and Outreach

What Is This Program And Why Is It Necessary?

The Office of Small and Disadvantaged Business Utilization and Outreach (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 (1) 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; and (2) 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 historically has managed two different funding sources to carry out these responsibilities: (1) the Salaries and Expenses appropriation and (2) the Minority Business Outreach appropriations. The FY 2016 Budget proposes to merge the Salaries and Expenses and Minority Business Outreach appropriations into a single appropriation entitled Small and Disadvantaged Business Utilization and Outreach (SDBUO). In addition, OSDBU will continue to manage the Short Term Lending Loan Guarantee Program, which is funded through the Minority Business Resource Center (MBRC) Program appropriation. A separate MBRC Program Detailed Justification describes that program.

OSDBU participates in the DBE Oversight and Compliance Council for DOT, which is chaired by the Deputy Secretary and comprised of the Departmental Civil Rights Director, Administrators of FHWA, FAA, FTA, OSDBU Director, OGC, OST Office of the Assistant Secretary for Governmental Affairs, and the OST Office of the Under Secretary of Transportation for Policy. The Council facilitates DOT collaboration, communication, and accountability among the DOT components responsible for DBE program oversight and assist in the formulation of Departmental policy regarding DBE program management and operation.

OSDBU is also part of the Executive Committee of the White House Interagency Task Force on Federal Contracting Opportunities for Small Businesses. 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 works to ensure targeted contractual levels for the small, minority, women-owned and disadvantaged business enterprises (DBEs) are met. Specifically, the SDBUO appropriation will fund 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.

The 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. The SBTRCs are established regionally through cooperative agreements with trade organizations, college/universities, chambers of commerce and business-centered community-based organizations. These partnerships create a delivery system that targets all small businesses, including DBEs and women-owned businesses, enabling them to become competitive in the government procurement marketplace.

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. Examples of how the program works are:

- Technical Assistance to assist small businesses with certifications, such as DBE, 8(a), HUB Zone, women-owned small businesses and service disabled veteran-owned small businesses.
- Plans and presents the Department's Short Term Lending Program (STLP) workshops for small businesses, to provide opportunities to obtain short-term working capital at reasonable rates for DOT and DOT-funded transportation-related contracts; including local banking representation and participation in the sessions.
- Bonding Education Program (BEP) to enhance and further the opportunity for small businesses and DBEs to obtain bid, performance and payment bonds for transportation-related contracts originating from the USDOT, its grantees, recipients, and their contractors and subcontractors. The program is a six to ten week core competency training curriculum designed to identify and individually address the factors of a business's ability to obtaining bonding and the pairing of the participating contractor with a bonding agent who will work with them one-on-one to complete a bond application and address 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. The initiative focuses on Outreach, Partnerships, Internships, Business Development and establishing regional Advisory Committee.
- Conference hosting and attendance to reach large numbers of small disadvantaged, women-owned and veteran-owned businesses sharing information on the services available at the SBTRCs.
- Collaborating with other (federal, state and local) agencies and organizations to participate in outreach activities that allow the SBTRCs to share information on their services with large numbers of small disadvantaged, women-owned and veteran-owned businesses.

The OSDBU facilitates economic competitiveness through a domestic and global transportation system that enables economic growth development through the expansion of opportunities for small and disadvantaged businesses. These 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 SDBUO appropriation funds many of the major initiatives that OSDBU operates to help small and disadvantaged businesses. By continuing this 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, which is at the core of OSDBU's mission and is vital to achieving the goals for small business contracting set by Congress and SBA. Without a well-funded SDBUO appropriation, 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.

FY 2015 Anticipated Accomplishments:

In FY 2015, 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 Small Business Days and Small Business Vendor Days.

The OSDBU will:

- Continue to ensure small and disadvantaged businesses are provided with the education and resources needed to successfully compete for and participate on transportation contracts across the United States of America and its territories.
- Enhance the efficiency, effectiveness and follow-up activities of the SBTRCs.
- Take OSDBU's programs and services to new types of audiences, including Spanish speaking small business owners.
- Increase the number of businesses served by 11%, from 2,679 in FY 2014 to 3,000 in FY 2015.
- Increase the number of new appointments (new clients) by 22%, from 1800 in FY 2014 to 2200 in FY 2015.

Performance Measures:

Economic Competitiveness:

- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to small disadvantaged business.
- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to women-owned businesses.

To meet these goals, DOT makes significant effort to engage the Small and Disadvantaged Business and Women-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 associates with an emphasis on small, women-owned and disadvantaged small businesses to ensure the maximum practical opportunity for small businesses.

Why Do We Need To Fund The Program At The Request Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments to Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) an increase for an estimated 1 percent inflation, as well as an estimated 13 FTEs and associated costs.

What Benefits Will Be Provided To The American Public Through This Request?

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% owned and controlled by one or more socially and economically disadvantaged individuals. Socially disadvantaged individuals include African Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, Sub-Continent 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. OSDBU along with the Secretary has established procurement goals to help these entrepreneurs have a fair opportunity to compete and overcome the barriers for success.

The data that follows was collected from the SBTRCs' for Fiscal Year 2014 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.

Small Business Transportation Resource Centers FY2014 - Activity Tracking	
Counseling Hours	
Total Counseling Hours	4616
Appointments	
New Appointments	1798
Follow-up Appointments	1639
Total	3438
Inquiries	
Phone Inquiries	1990
E-Mail Inquiries	2930
Total	5525
Businesses Served	
DBE	1684
8a	187
WOB	580
HubZone	151
SDB	179
SDVOB	148
VOB	45
Non-Certified Business	995
Total (DBEs and Non-Certified)	2679
Marketing	
As an attendee	182
As an exhibitor	142
As a panelist/presenter	151
Events attended at request of OSDBU	37
Total Events Attended	225
Meetings	
With DOT reps (state)	186
With DOT reps (regional)	124
With Other Agencies	244
Total	540
DBE Procurement Workshop	43
One-on-One Matchmaking	25
Other Workshops	40
Total	106

OFFICE OF THE SECRETARY OF TRANSPORTATION

SMALL AND DISADVANTAGED BUSINESS UTILIZATION and OUTREACH *formerly*
MINORITY BUSINESS OUTREACH

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$3,088	3
FY 2015 Enacted	\$3,099	4
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$1	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$2	
January 2016 Pay Raise	\$6	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$3	
FERS and FEHB Increases	\$0	
Inflation	\$5	
FY 2016 Baseline Estimate	\$3,111	4
<u>FY 2016 Program Changes (+/-):</u>		
Reduction in Contractual Services.	-\$27	0
<u>FY 2016 Redirection of Resources (+/-):</u>		
Merge of funding previously provided to OSDBU through the Salaries and Expenses appropriation with the Minority Business Outreach appropriation.	\$1,434	9
Total, FY 2016 Request	\$4,518	13

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016	
69-0119-0-1-407	ENACTED	PRES. BUD.	REQUEST	
Obligations by program activity:				
0001	Minority business outreach	2,887	3,099	4,518
0002	Bonding Assistance	832	6,245	0
0900	Total new obligations	3,719	9,344	4,518
Budgetary resources available for obligation:				
1000	Unobligated balance brought forward, Oct. 1	7,924	7,382	1,137
1021	Recoveries from prior year unpaid obligations	0	0	0
1050	Unobligated balance (total)	7,924	7,382	1,137
Budget authority:				
<i>Appropriation, discretionary:</i>				
1100	Appropriation	3,088	3,099	4,518
1130	Appropriations permanently reduced (disc) (-)	0	0	0
1160	Appropriation discretionary (total)	3,088	3,099	4,518
1900	Budget Authority (Total)	3,088	3,099	4,518
1910	Total budgetary resources available	11,101	10,481	5,655
Memorandum (non-add) entries:				
1940	Unobligated Balance Expiring (SF-133 Line 2201)	-73	0	0
1941	Unexpired unobligated balance, end of year	7,309	1,137	1,137
Change in obligated balances:				
3000	Unpaid obligations brought forward Oct 1 (gross)	2,068	2,466	46
3010	Obligations incurred, unexpired accounts	3,719	9,344	4,518
3011	Obligations incurred, expired accounts	0	0	0
3020	Total outlays (gross)	-3,206	-11,764	-3,098
3040	Recoveries of prior year unpaid obligations, unexpired	-89		
3041	Recoveries of prior year unpaid obligations, expired	-25		
	Obligated balance, end of year (net)			
3050	Unpaid obligations, end of year (gross)	2,466	46	1,466
3100	Obligated balance, start of year (net)	2,068	2,466	46
3200	Obligated balance end of year	2,466	46	1,466
Budget authority and outlays, net:				
Discretionary:				
4000	Budget Authority, gross	3,088	3,099	4,518
Outlays (gross), detail:				
4010	Outlays from new discretionary authority	475	2,789	2,789
4011	Outlays from discretionary balances	2,755	8,975	309
4020	Total outlays (gross)	3,230	11,764	3,098
4180	Budget Authority, net (total)	3,088	3,099	4,518
4190	Outlays, net (total)	3,230	11,764	3,098

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
SMALL AND DISADVANTAGED BUSINESS UTILIZATION AND OUTREACH

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2014 ENACTED	FY 2015 PRES. BUD.	FY 2016 REQUEST
69-0119-0-1-407			
Direct obligations:			
11.0 Personnel compensation	357	472	1,587
12.1 Civilian benefits	77	111	409
21.0 Travel and transportation of persons	38	19	19
22.0 Transportation of Things	2	0	0
23.0 Rent, Communications & Utilities	0	1	1
24.0 Printing	1	3	3
25.1 Other Services	457	462	445
25.2 Other Services	0	0	4
25.3 Other Services	4	19	101
26.0 Supplies & Materials	2	22	22
41.0 Grants, subsidies and contributions	2,783	8,235	1,929
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	3,720	9,344	4,518

PERSONNEL SUMMARY

Identification Code	FY 2014 ENACTED	FY 2015 PRES. BUD.	FY 2016 REQUEST
69-0119-0-1-407			
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	4	4	13

OFFICE OF THE SECRETARY OF TRANSPORTATION

INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER (IIPIC)

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$500	\$500
Travel	\$0	\$0	\$25	\$25
Other Costs	\$0	\$0	\$3,475	\$3,475
TOTAL	\$0	\$0	\$4,000	\$4,000

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

The Interagency Infrastructure Permitting Improvement Center (IIPIC) is requesting \$4 million and 4 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Interagency Infrastructure Permitting Improvement Center

What Is This Program and Why Is It Necessary?

The Department requests funding for the Interagency Infrastructure Permitting Improvement Center administratively located within the Office of the Under Secretary of Transportation for Policy and reporting to the Infrastructure Permitting Steering Committee chaired by the Office of Management and Budget (OMB) and the Council on Environmental Quality (CEQ). The Center will continue working to cut infrastructure permitting and review timelines by producing a faster, more efficient process, while also producing measurably better outcomes. This will include continued management, improvement, and expansion of the Administration's permitting dashboard, as well as implementation of other government-wide reforms.

For FY 2016, the Department requests \$4 million to continue operations of the Interagency Infrastructure Permitting Improvement Center (IIPIC) with an additional \$4 million to be transferred from other agencies, for total funding of \$8 million. The IIPIC will support the **Safety, State of Good Repair and Environmental Sustainability** Strategic Goals. IIPIC 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.

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 IIPIC plays a critical role in this modernization effort, by providing government-wide coordination, analytical, and implementation capacity. Specifically, the IIPIC will continue work implementing 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 IIPIC 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 Need To Fund The Program At The Requested Level?

The FY 2016 \$4 million budget request will be used for 7 positions (4 FTEs) and associated costs and will be made available for reform development and implementation activities. This level of funding is needed to support staff 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 IIPIC will continue to test, refine, and implement process reforms over the course of several years. Activities include:

- Facilitating data collection and reporting in conjunction with development and oversight of the Infrastructure Permitting Dashboard. Specifically, additional staffing will be needed to support maintenance and expansion of the dashboard – including training subject matter experts across agencies regarding effective use of the tool on a widespread basis.
- Targeted technical assistance, training, outreach related to reform implementation across over a dozen agencies and bureaus, as well as state, local and tribal governments.
- Conducting research and piloting new policies, such as approaches for conducting environmental analysis, including analysis of mitigation options.
- Developing new policy improvements and process reform recommendations.

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 IIPIC will also explore other opportunities to develop digital tools to help modernize project review and approval processes across agencies.

What Benefits Will Be Provided To The American People Through This Request?

The primary benefit to the American public of IIPIC will be the reduced timelines related to the permitting of infrastructure projects and measurably better outcomes of the projects. Additionally, the activities of IIPIC would directly and indirectly facilitate job creation in the area of infrastructure projects.

OFFICE OF THE SECRETARY OF TRANSPORTATION

INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER (IIPIC)

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$0	0
FY 2015 Enacted	\$0	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
FY 2016 Baseline Estimate	\$0	0
<u>FY 2016 Program Changes (+/-):</u>		
FY 2016 is the first year of funding for IIPIC.	\$4,000	4
Total, FY 2016 Request	\$4,000	4

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0126-0-1-401	ACTUAL	ENACTED	REQUEST
Obligations by program activity:			
0001 Interagency Infrastructure Permitting Improvement Center	0	0	4,000
0900 Total new obligations (object class 25.2)	0	0	4,000
Budgetary Resources:			
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	0	0	4,000
1160 Appropriation, discretionary (total)	0	0	4,000
1930 Total budgetary resources available	0	0	8,000
Change in obligated balance:			
Obligated balance, start of year (net):			
3010 Obligations incurred, unexpired accounts	0	0	4,000
3020 Outlays (gross)		0	-3,600
Obligated balance, end of year (net):			
3050 Unpaid obligations, end of year (gross)	0	0	400
3200 Obligated balance, end of year (net)	0	0	400
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	0	0	4,000
Outlays, gross:			
4010 Outlays from new discretionary authority	0	0	3,600
4180 Budget authority, net (total)	0	0	4,000
4190 Outlays, net (total)	0	0	3,600

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
INTERAGENCY INFRASTRUCTURE PERMITTING IMPROVEMENT CENTER

OBJECT CLASSIFICATION
(In Thousands)

Identification Code	FY 2014	FY 2015	FY 2016
69-0126-0-1-401	ACTUAL	ENACTED	REQUEST
Direct obligations:			
11.0 Personnel compensation	0	0	376
12.1 Civilian benefits	0	0	123
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	0
24.0 Printing	0	0	0
25.1 Other Services	0	0	1,475
25.2 Other Services	0	0	2,000
25.3 Other Services	0	0	0
26.0 Supplies & Materials	0	0	0
41.0 Grants, subsidies and contributions	0	0	0
42.0 Insurance claims and indemnities	0	0	0
99.9 Total obligations	0	0	4,000

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-0162	ACTUAL	ENACTED	REQUEST
Direct:			
1001 Total compensable workyears: Full-time equivalent employment	0	0	4

OFFICE OF THE SECRETARY OF TRANSPORTATION

DATA ACT COMPLIANCE

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

<u>ITEM</u>	<u>FY 2014 Actual</u>	<u>FY 2015 Enacted</u>	<u>FY 2016 Request</u>	<u>Difference from FY 2015 Enacted</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$0	\$0	\$3,000	\$3,000
TOTAL	\$0	\$0	\$3,000	\$3,000

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 DATA Act Compliance program is requesting \$3 million in FY 2016 to accomplish the mission on the pages to follow.

Detailed Justification for DATA Act Compliance

What Is This Program/Activity?

The “Digital Accountability Transparency Act” (DATA Act) (Pub. L. 113-101) calls for the establishment and implementation of Government-wide data standards for financial data to provide consistent, reliable, and searchable spending data for easy public consumption. The Office Management and Budget (OMB) and Treasury along with the Federal accounting and budget, financial assistance, and procurement communities are working together to identify a common taxonomy and set of definitions of terms used in reports so that they are understandable to a non-federal audience.

As standard data elements and associated definitions are agreed upon and guidance is published by OMB, Federal agencies will need to access these standards and understand their meaning, map these standards within their current system environments, and incorporate them into appropriate business processes.

The Department has established a governance structure to oversee the global efforts needed in order to provide centralized and proper project management over DATA Act activities. This effort requires thoughtful collaboration among several communities at the Department, while closely coordinating efforts with our shared service provider, the Enterprise Services Center (ESC).

Why Is This Particular Program Necessary?

The DATA Act requires the establishment of Government-wide data standards, the disclosure of direct federal spending, and full agency compliance with the new data standards while upholding the quality of the data being readily available to the public.

Full effective implementation will provide transparency to the public and address ongoing management challenges by ensuring data quality and expanding the availability of Federal spending data. Having a better understanding of our data will also make it possible to make fully informed decisions about how our resources should be allocated, and provide us with additional data analytics that coincide nicely with other Departmental data reporting requirements.

In Fiscal Years 2014 and 2015, DOT established a governance structure which is essential for ensuring full compliance with all sections of the DATA Act, and began our planning period for adoption of newly Government-wide data standards. The Department is in the process of evaluating where each data element is stored in our accounting, procurement and grant management systems.

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

The Department is requesting \$3 million in FY 2016 to assist in implementing the requirements set forth in the DATA Act. The DATA Act expands the Federal Funding Accountability and

Transparency Act of 2006 (31 U.S.C. 6101 note) by disclosing direct Federal agency expenditures and linking Federal contract, loan, and grant spending information to programs of Federal agencies to enable taxpayers and policy makers to track Federal spending more effectively. Additional types of spending information will be disclosed in a Government-wide standard format so that it is machine readable and publicly available. The additional data will include a breakdown of each appropriation, a breakdown of each account, including amounts received, obligated and spent and further account breakdowns by program activity and by object class.

In order to fully adopt and implement newly defined Government-wide data standards, the Department will need to assess what level of system modifications are necessary to capture this information. Implementation of these standards will foster improved data quality over all Federal spending

The DATA Act also provides for the improvement of the quality of data submitted to USASpending.gov by holding Federal agencies accountable to submit accurate data. DOT will review current business processes/certifications to ensure data quality and completeness over Federal spending and establish a consistent, repeatable, process to improve financial assistance data quality and accuracy with annual data quality assessments and certifications

The Department will need to invest time and resources to assess and ensure end-to-end traceability and uniqueness of financial assistance award identification numbers throughout our internal financial systems.

What benefits will be provided to the American Public through this request?

Citizens have been long challenged to understand how their tax dollars are being spent. Clear and consistent data standardization will transform today's fragmented spending information into open, publicly accessible data and allow for better overall transparency in a standardized way. Reporting with more specificity and at a deeper level than is currently reported will assist the public in understanding the full picture of Federal spending.

Providing timely, useful data in a standardized, searchable data set will not only create better accountability for our internal agencies, it will improve management of Federal spending. By understanding financial data in a more meaningful way, DOT will be able to improve trend analysis and access effectiveness of our programs designed to assist the American Public.

By adopting and implementing Government-wide data standards, published data will have a consistent meaning across the Federal government which will allow for better understanding of Federal spending data for the consumers of our data.

Approving this request allows DOT to take the necessary immediate actions with the appropriate resources to create a common language for Federal spending making communicating with other agencies, grant recipients, and the American Public easier.

OFFICE OF THE SECRETARY OF TRANSPORTATION

DATA ACT COMPLIANCE

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$0	0
FY 2015 Enacted	\$0	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
FY 2016 Baseline Estimate	\$0	0
<u>FY 2016 Program Changes (+/-):</u>		
Implementation of DATA Act requirements for Government-wide data standards.	\$3,000	0
Total, FY 2016 Request	\$3,000	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DATA ACT COMPLIANCE

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-0668-0-1-407			
Obligations by program activity:			
0.01 DATA Act Compliance	0	0	3,000
0.91 Direct program activities, subtotal	0	0	3,000
8.01 Reimbursable program	0	0	0
9.00 Total new obligations	0	0	3,000
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	0	0	0
10.50 Unobligated balance (total)	0	0	0
Budget Authority: appropriations, discretionary			
11.00 Appropriation	0	0	3,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	0	0	3,000
Spending authority from offsetting collections, discretionary:			
17.50 Total Spending authority	0	0	0
19.00 Budget Authority (Total)	0	0	3,000
19.30 Total Budgetary Resources Available	0	0	3,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
30.10 Obligations incurred, unexpired accounts	0	0	3,000
30.11 Obligations incurred, expired accounts	0	0	0
30.20 Obligated balance, Outlays (gross)	0	0	-1,800
30.50 Unpaid obligations, end of year	0	0	1,200
Uncollected payments:			
30.90 Uncollected pymts, Fed sources, end of year	0	0	0
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	0	0	0
32.00 Obligated balance, end of year	0	0	1,200
Budget Authority and outlays, net:			
40.00 Budget authority, gross	0	0	3,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	0	0	1,800
40.11 Outlays from discretionary balances	0	0	0
40.20 Outlays, gross (Total)	0	0	1,800
Offsets against gross budget authority and outlays:			
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	3,000
41.90 Outlays, net (disc. and mand.)	0	0	1,800

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

DATA ACT COMPLIANCE

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0668-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
25.1 Other services	0	0	3,000
99.9 Total obligations	\$0	\$0	\$3,000

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-1772	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears: Full-time equivalent employment	0	0	0

OFFICE OF THE SECRETARY OF TRANSPORTATION**U.S. DIGITAL SERVICES****What Is The Request and What Funds are Currently Spent on the Program?**

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$6,678	\$6,678
Travel	\$0	\$0	\$15	\$15
Other Costs	\$0	\$0	\$2,307	\$2,307
TOTAL	\$0	\$0	\$9,000	\$9,000

STAFFING

Direct Positions	0	0	41	41
Direct FTEs	0	0	41	41
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The U.S. Digital Services program is requesting \$9 million and 41 term-limited FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for U.S. Digital Services

What Is This Program And Why Is It Necessary?

The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT) advisor to the Secretary. The Digital Services program will be a new and integral team within the DOT CIO.

The United States Digital Services team has demonstrated an improved success rate of government digital services when agencies, including DOT, have digital service experts on staff with modern design, software engineering, and product management skills. To ensure DOT can effectively build and deliver important digital services, the FY 2016 Budget includes funding for staffing costs to build a Digital Service team. This team will focus on transforming digital services at DOT with the greatest impact to citizens and businesses so they are easier to use and more cost-effective to build and maintain.

The team will be made-up of digital service experts who will apply private sector best practices in the disciplines of design, software engineering, and product management to DOT's most important services. The positions will be term-limited, to encourage a continuous influx of up-to-date design and technology skills into the agency. The digital service experts will be recruited from among America's leading technology enterprises and startups, and will work with the technical and policy leaders to deliver meaningful and lasting improvements to DOT services.

This digital services team will build on the success of the United States Digital Service team inside of OMB, created in 2014. The OMB team has worked in collaboration with Federal agencies to implement cutting edge digital and technology practices on the nation's highest impact programs, including the successful re-launch of HealthCare.gov in its second year, which led to millions of Americans receiving health coverage; the Veterans Benefits Management System; online visa applications, green card replacements and renewals; among others. In addition to their work on these high priority projects, this small team of technical experts has worked to establish best practices (as published in the [U.S. Digital Services Playbook](#) at [playbook.cio.gov](#)) and to recruit more highly skilled digital service experts and engineers into government.

Why Do We Need to Fund the Program at the Requested Level?

The DOT OCIO is requesting \$9 million for digital services in FY 2016 to fund salaries and benefits for 41 term-limited positions and FTE, and other operational costs necessary to establish and implement a Digital Services team. This team will improve and ensure the continued efficiency and effectiveness of the Department's digital services for high-impact program areas.

The Department's Digital Services team will report to the Chief Technology Officer (CTO) within the DOT CIO's office and will work closely with organizations, program offices and contractor teams from across the Department. Digital services experts will bring the latest technical experience and best practices to ensure DOT programs are delivered efficiently and

effectively to provide the best services to the citizen. Expertise in design, software engineering, and product management will be applied to product and system development.

Areas of focus for the Digital Services team include:

- Accelerating current programs/projects
- Enhancing partnerships and information sharing with other agencies
- Building or improving external and internal facing services
- Improve Stakeholder and data management tools

For each of the focus areas, DOT will employ a systematic approach to determine the scope, priority, impact, and timeline of each project.

Building institutional capacity at DOT will result in lasting cultural change and improved efficiency. The Digital Services team will allow DOT to hire personnel and build core skills that are often missing from government teams, such as user experience design, user research, product management, reliability and scalability, and quality assurance and testing.

What Benefits Will Be Provided To The American Public Through This Request?

In a time of limited resources, it is paramount to develop efficiencies within DOT mission systems, internal and external processes and to more effectively communicate with stakeholders. The Digital Services Program will be created with a specific focus on providing better services to the American Public through improved system development. The team will enable the Department to more effectively update and deploy systems by leveraging the latest technologies and best practices from both the private and public sector. These improvements will better enable the DOT mission and serve the American public.

OFFICE OF THE SECRETARY OF TRANSPORTATION

U.S. DIGITAL SERVICES

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$0	0
FY 2015 Enacted	\$0	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
FY 2016 Baseline Estimate	\$0	0
<u>FY 2016 Program Changes (+/-):</u>		
Funding for a team to focus on Digital Services for (1) surge support for current projects; and (2) modernization of external and/or internal processes.	\$9,000	41
Total, FY 2016 Request	\$9,000	41

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

U.S. DIGITAL SERVICES

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2014	FY 2015	FY 2016
69-0665-0-1-407	Actual	Enacted	Request
Obligations by program activity:			
0.01 General Administration	0	0	9,000
0.91 Direct program activities, subtotal	0	0	9,000
9.00 Total new obligations	0	0	9,000
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	0	0	0
10.50 Unobligated balance (total)	0	0	0
Budget Authority: appropriations, discretionary			
11.00 Appropriation	0	0	9,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	0	0	9,000
19.00 Budget Authority (Total)	0	0	9,000
19.30 Total Budgetary Resources Available	0	0	9,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
30.10 Obligations incurred, unexpired accounts	0	0	9,000
30.20 Obligated balance, Outlays (gross)	0	0	-8,100
30.50 Unpaid obligations, end of year	0	0	900
Uncollected payments:			
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	0	0	0
32.00 Obligated balance, end of year	0	0	900
Budget Authority and outlays, net:			
40.00 Budget authority, gross	0	0	9,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	0	0	8,100
40.11 Outlays from discretionary balances	0	0	0
40.20 Outlays, gross (Total)	0	0	8,100
Offsets against gross budget authority and outlays:			
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	9,000
41.90 Outlays, net (disc. and mand.)	0	0	8,100

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

U.S. DIGITAL SERVICES

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0665-0-1-407	Actual	Enacted	Request
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$0	\$0	\$5,159
11.5 Other personnel compensation	0	0	52
11.8 Special personal services payments	0	0	0
11.9 Total personnel compensation	0	0	\$5,210
12.1 Civilian personnel benefits			1,468
21.0 Travel and transportation of persons			15
25.1 Advisory and assistance services	0	0	2,302
26.0 Supplies	0	0	5
32.0	0	0	0
99.9 Total obligations	\$0	\$0	\$9,000

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-0665-0-1-407	Actual	Enacted	Request
1001 Total compensable workyears: Full-time equivalent employment	0	0	41

OFFICE OF THE SECRETARY OF TRANSPORTATION
TRANSPORTATION PLANNING RESEARCH AND DEVELOPMENT

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$5,425	\$4,803	\$5,595	\$793
Travel	\$153	\$155	\$156	\$2
Other Costs	\$1,421	\$1,042	\$4,268	\$3,225
TOTAL	<u>\$7,000</u>	<u>\$6,000</u>	<u>\$10,019</u>	<u>\$4,019</u>

STAFFING

Direct Positions	33	33	33	0
Direct FTEs	26	27	32	5
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

The Transportation, Research, Planning and Development Program is requesting \$10.019 million and an estimated 32 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for Transportation Planning, Research and Development

What Is This Program And Why Is It Necessary?

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 2016, 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. 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.

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.

FY 2015 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 monitoring the competitive implications of airline industry consolidation, processing of applications for antitrust immunity and continuing and expanding cooperation with foreign 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 ventures on competition in transatlantic markets will be completed as well as

a commissioned independent econometric study from independent economists using data collected 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. The first National Freight Strategic Plan will be issued at the end of FY 2015.
- We will complete a peer review of the first phase of research initiated in FY 2011 on developing guidance to estimate the property value benefits from transit. This will improve our ability to estimate the benefits of investments in transit.
- 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 (NEI) countries, including special technical exchange missions with U.S. companies. We will support the President's goal of enhancing transportation connectivity with Mexico and Canada in support of North American joint competitiveness. 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 air service agreements will continue. In addition, we will work to continue the successful business aviation initiative in APEC that aims to foster a friendlier environment for international business aviation operations in the APEC region. We will also work to expand the initiative either bilaterally or regionally, to other regions including Africa and Latin America.
- The Federal Infrastructure Projects Permitting Dashboard, which is housed at the Department of Transportation, supports coordination and synchronization of projects among federal agencies, and can also help create a more predictable process for project applicants. Within existing resources, the Dashboard will be expanded to include new capabilities, and guidance will be prepared for the use of the Dashboard.
- With Department of Transportation support, the Federal Highway Administration will have held six public webinars and significant additional stakeholder engagement activities, including interviews and conference presentations to solicit feedback on the development of the six

research products associated with the Bicycle and Pedestrian Strategic Agenda, all intended to enhance the ability of grantees to create safer streets for non-motorized travelers. Handouts, power-point slides and other materials to facilitate use of the Bicycle and Pedestrian Strategic Agenda will be completed and made available.

- Several Federal Transit Administration regional offices will have held meetings and work sessions of stakeholders to focus attention on critical gaps in the transportation network affecting road safety for transit patrons accessing public transit facilities by foot or bicycle. The field offices will be working with grantees and other transportation agencies to address and correct deficiencies.
- Working with the Federal Highway Administration, the Department will develop a toolkit , which will aid state and local planners and government officials with planning tools to help them create sustainable, resilient, and equitable communities. Working with the Environmental Protection Agency, the Council on Environmental Quality and within the Department of Transportation, the Department will develop resiliency planning technical assistance to help incorporate climate resilience into state, local and tribal community plans.
- The Office of Safety, Energy and Environment has continued to lead the modal administrations in a multi-year partnership with the Centers for Disease Control and Prevention, to support a project to enhance consideration of public health goals in transportation decision-making. The first year of the project focused on reviewing the literature, convening an expert panel, and finding consensus on the appropriate indicators. In FY 2014 the project has addressed data issues and has moved into development of the online tool itself. The project is developing a resource to assist transportation and health officials in understanding how their jurisdiction's current transportation policies and programs align with public health goals. The on-line toolkit is scheduled for release early in FY 2015 and will include state- and regional-level data for 14 indicators of the health effects of transportation investments. Indicators include road fatalities and injuries by mode, vehicle miles traveled per capita, commute mode shares, seat belt use, emissions exposure, and more. The project is creating an evidence base that can help develop recommendations for policy and investment decisions.

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 Do We Need To Fund The Program At The Requested Level?

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) 1.3 percent pay raise for 2016; (4) a decrease in Working Capital Fund charges; and (5) mandated increases in the Federal share of FERS costs; (6) an increase for an estimated 1 percent inflation, as well as an estimated 32 FTEs and associated costs. A program increase of \$4.044 million is requested for priority activities, including \$1 million for resilience planning, which will provide methodological improvements and technical assistance to states and local and tribal communities in incorporating resilience into planning decisions; and \$0.5 million to research future trends in shale development. In addition, a \$2.543 million program increase will fund large-scale programs in multiple areas including international and domestic aviation are proposed, as well as the furtherance of the goals of National Export Initiative. In FY 2016, NEI objectives will require the Department to focus on increasing exports to Mexico, Canada, China, Brazil and India with a targeted emphasis on those countries' infrastructure and transportation sectors. The Department is also working to improve cost-benefit analysis programs for federal and state level projects and infrastructure planning, as well as provide guidance on estimating property value benefits from transit investments, and initiating multiple safety driven projects.

The requested amount for administration of the research and development projects in fiscal year 2016 will provide support for proper budget execution and planning, procurement activities and oversight, as well as coordination of domestic and international departmental objectives. Due to the nature of TPR&D projects, funds requested for administration of TPR&D projects also provide for significant in-house research and analysis, knowledge sharing, and international diplomacy. In addition, the Office of the Secretary is charged with providing support to the Under Secretary of Transportation and support for Department priorities and initiatives. The Office of the Under Secretary for Policy is responsible for executing the Secretary's policy initiatives such as the formulation of the strategic plan, initiatives in freight and safety policy, and general and international aviation, and trade policy.

Economic Competitiveness Strategic Goal: (\$1,970,000 in contract/project development research)

Aviation Data Modernization: \$100,000

The Department's aviation data provides the information required to administer statutorily mandated aviation programs. The current system dates largely from the 1970s and needs to be updated to better address contemporary needs. The Aviation Data Modernization Program will enhance the quality, utility and accessibility of the nation's most important source of aviation data, and it will do so while reducing the reporting burden on the airline industry. It will also streamline the aviation data products that the Department disseminates, which will make it easier to use, and, therefore more valuable to the industry and to the public interests that use this data. 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 industry relies on this data for its usefulness in short term route planning and long term strategic planning.

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 \$100,000 in FY 2016 for development and proof of concept testing. It is expected that an agreed upon approach can result in a proposed rulemaking in FY 2016. Implementation will require significant redevelopment of the IT infrastructure required to house and disseminate Aviation Data. Planning and implementation of the new procedures that result from this rulemaking will take place by FY 2016.

Profit Essentials Software Support: \$75,000

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 the creation of 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).

Mexico-U.S. Civil Aviation Forum: \$100,000

The market for air transportation between the United States and Mexico is already large by global standards. But it has the potential to get much larger given a number of factors, such as positive economic trends in the United States facilitating increased international travel and the transformation and the development of the Mexican airline industry into a diverse industry with numerous players. These factors need further study and may enhance the negotiating position of the United States with Mexico. Additionally, it will benefit the United States to educate stakeholders about developments in U.S.-Mexico aviation, particularly stakeholders in Mexican civil society that could benefit from greater access to the global marketplace through aviation. In this study project, we envision selecting a contractor to organize and execute a one-time "Mexico-U.S. Civil Aviation Forum" at a venue in the United States or Mexico to be determined. The contractor will: (1) identify and contact key stakeholders in U.S.-Mexico aviation, including airlines, airports, investors, government officials, representatives of the tourism industry, and business interests which can contribute to the dialogue and might benefit from the forum; (2) work under the supervision of DOT staff to outline an agenda of panel discussions and keynote speeches providing these stakeholders with a forum for further discussion of the issues; (3) under the supervision of DOT staff, plan and execute the logistics of the one-day forum on site; (4) if appropriate, produce a webcast of the event; (5) take notes of the forum and/or web-casting the event appropriate to produce a summary document for public consumption and (6) under DOT staff guidance, produce a summary document to be made available electronically to attendees and the general public.

The forum will provide DOT and the public with intelligence about emerging issues in U.S.-Mexico aviation, as well as a platform to discuss the value of international aviation to the

economy. Aviation offices will ensure that all stages of planning and implementation compliment and support the ongoing aviation negotiations with Mexico.

The forum will be a collaborative effort among all three of the offices in DOT's Office of Aviation & International Affairs.

International Regulatory Cooperation and Research: \$50,000

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 2016 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 improve our understanding of the important U.S.-China market as Chinese carriers rapidly expand their market share.

As U.S. airlines seek to expand their services to 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: \$50,000

In 2008, DOT and the European Commission (DG Competition) launched a joint research project aimed at deepening each party's 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 2016 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.

Global Carrier Research: \$30,000

Major global and next-generation long-haul low-fare carriers in Asia, the Middle East and Europe are expanding in the United States, with future plans to add a significant amount of service. The emergence of the Gulf carriers, for example, has been a major development in airline competition, and it has positive and negative effects on the U.S. aviation industry. Other new and innovative competitors such as Norwegian, Hainan Airlines, and Air Asia X all have their sights on the U.S. market for the long term. The Department's goal has been to support a fair, competitive aviation industry that provides benefits to consumers and stakeholders in the U.S. aviation industry. Questions remain as to how these foreign carriers have grown so quickly and how they operate. Some of the questions regarding these carriers' operating strategies cannot be answered from current or publicly-available data sources. Discussion with aviation industry financial analysts, would give added insight into the state of competition. Ultimately, the strategic plans are best gleaned through direct, on-the-ground research. Greater understanding of these issues will allow the U.S. to make sound policy decisions that preserve fair and open competition needed to enhance the mobility and competitiveness of U.S. businesses and consumers.

Given the likely expansion of these airlines into U.S. markets, opening a constructive dialogue with certain key carriers and other affected entities would provide critical insights into the future of airline competition and would prepare the Department for any adjudicatory or informal matters that are raised by U.S. industry. It would also enable the Department to monitor industry developments and take more proactive measures to ensure fair competition for U.S. airlines and passengers.

Research funds would be dedicated to travel, data analysis, and other gathering of data and information, all in FY 2016, and all funding would be incurred by in house staff. Reports and conclusions will be generated for the benefit of U.S. government staff.

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, after the completion of systems development, will be limited to maintenance and calibration of the database software.

Women in Transportation: \$50,000

The project will build on ongoing efforts to advance Women in Transportation within APEC in other regions of the world. We will: (1) continue to collect data to measure progress related to gender policy; (2) build and update a compendium of best practices so each Economy can learn

and improve from each other (3) continue a regular dialogue in APEC on Women in Transportation in the Transportation Working Group of APEC and other international forums; (4) hold a workshop to advance best practices in the development of women in the transportation workforce. 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.

National Export Initiative (NEI/NEXT): \$550,000

The Secretary of Transportation is a member of the Export Promotion Cabinet, which ensures the performance of the President's National Export Initiative (NEI), whose next phase is referred to as NEI/NEXT. Several key country markets have been identified for priority interagency focus under the NEI/NEXT. 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. Mexico and Canada have also been singled out at Administration priorities. 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 \$500 thousand is being used to continue funding research studies on transportation sector characteristics and markets in key NEI/NEXT countries. We are also exploring the feasibility of other priority markets as identified under NEI/NEXT. 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/NEXT countries, definitional studies are being conducted to consolidate information about the state and understanding of transportation standards in these countries. \$50,000 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, 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, staffed by OST/Policy, to coordinate multimodal freight planning and to implement the freight provisions of MAP-21. DOT has also established a National Freight Advisory Committee to provide recommendations aimed at improving the national freight

transportation system. OST/Policy will support both the Freight Policy Council and the National Freight Advisory Committee with TPR&D funds.

Preparation of a Freight Conditions and Performance Report, development of improved freight data and planning tools, and preparation of a National Freight Strategic Plan will be resource-intensive activities. A revised version of the Freight Conditions and Performance Report is due in September 2016. The initial National Freight Strategic Plan (NFSP) will be completed in late 2015; forecasting and planning activities in preparation for the next NFSP five years will be ongoing. 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, and funding for freight forecasting to support the National Freight Strategic Plan.

Future Trends in Shale Development: \$500,000

With the new economic viability of recovery methods, gas production from shale resources continues to change the U. S. energy outlook. Research will be done to analyze future trends in shale development and the potential impact on the transportation system.

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.

Research on Improving Benefit-Cost Analysis: \$75,000

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. The Department has expanded 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 number of states and local authorities are making greater use of BCA in their own transportation infrastructure investment decision-making, but 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 2016 would be used to continue research initiated in FY 2012 on improving the methodology of transportation benefit-cost analysis. Research in FY 2015 and FY 2016 will focus on benefits of freight-related infrastructure investments, including benefits associated with reducing transit time for freight shipments and benefits of diverting freight from less energy-efficient modes to more energy-efficient modes.

Work in FY 2016 will also focus on economic development related benefits resulting from passenger-related investments, especially benefits for economically disadvantaged communities, including effects of transportation infrastructure investment on land use, trip lengths, agglomeration effects, option 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 liberalize the international aviation operating environment, the Department is seeking to facilitate the ability of U.S. airlines to use their available rights with the minimum necessary regulatory oversight and with access to necessary infrastructure available on a fair and transparent basis. Broad-based international adherence to practices that streamline the process of exercising bilateral rights, such as operating rights, marketing strategies and pricing initiatives, will yield significant benefits to airlines, U.S. communities, consumers and the U.S. economy.

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: \$100,000

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 first phase of APEC work complete, we anticipate extending the initiative with a second phase of work within APEC, as well as potentially expanding the initiative 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: (\$1,100,000 in contract/project development research)

Climate, Sustainability and Adaptation Policy: \$50,000

Requested funding would continue to advance research to support policy decisions and transportation response to emerging sustainability policies. The work will support a focus on resilience planning for the transportation sector, as well as alternative fuels and strategies to reduce transportation related pollution and impacts on the natural environment. 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 and resilience 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.

Historic Infrastructure Survey. \$50,000

This work would continue and complete work initiated in FY15 to survey historic rail bridges, other historic rail and public transportation infrastructure and additional survey of historic transportation infrastructure. The need for such a survey was identified in the DOT's March 2013 report to Congress on historic rail infrastructure, which describes how corridor or state-level surveys have helped jurisdictions determine the historic significance and eligibility of rail infrastructure for listing in the National Register of Historic Places. The research would support programmatic approaches to decision making and would provide a basis for a Section 106 program comment. Because the survey will result in a single national database of rail properties of historic significance, it will result in significant efficiency gains and time savings during project reviews that have in the past had to initiate their own lengthy and independent studies.

Resiliency Planning Technical Assistance: \$1,000,000

This project will provide research in the area of resilience planning which will provide methodological improvements and technical assistance to states and local and tribal communities in incorporating resilience into planning decisions.

Quality of Life in Communities Strategic Goal: (\$300,000 in contract/project development research)

Partnership for Sustainable Communities: \$100,000

DOT will fund projects jointly with other federal agencies through the Partnership for Sustainable Communities to provide tools, models, and case studies to support communities' efforts to become more livable. The Partnership brings together the work of USDOT, the Environmental Protection Agency, and the Department of Housing and Urban Development to better integrate Federal programs for transportation, housing, water and other infrastructure.

Specifically, the research will help HUD, EPA, and USDOT grantees develop planning tools that will enable regions to develop scenarios for future growth that take into account housing and transportation needs, residential preferences, and impact on energy, environment, and quality of life. The tools will be developed to apply to both transportation and housing investments, and will emphasize the need to provide greater resources to disadvantaged communities. In a companion project OST-P will work with FHWA on putting together a toolkit for communities, planners, and government officials looking for guidance and tools on creating resilient, sustainable, equitable communities. The research will continue to support and disseminate tools to help transportation agencies consider health and transportation linkages. 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.

Economic Impacts of Livable Communities: \$50,000

DOT will fund research into the economic impacts on 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. The project will build upon earlier assessment of how specific transportation projects benefit the communities to study additional examples of the degree to which the projects improve access to jobs, services and affordable housing, attract new businesses and provide transportation options with reduced pollutant emissions. New studies will focus on innovative investments and new geographic areas in order to continue to expand the base of information about the economic impact of transportation investments. This ongoing research is a deliverable of the Partnership for Sustainable Communities.

Guidance on Estimating Property Value Benefits from Investments in Transit: \$150,000

DOT will conduct follow-up research in cooperation with FTA on estimating property value benefits from investments in transit. The first phase of the research reviewed the literature and established baseline parameters for estimating benefits. This phase of the research will expand on these parameters and develop procedures for practitioners to apply these results to their proposed transit projects. The research will ultimately develop a tool for analyzing and

projecting whether and how a proposed transit improvement can increase local tax revenues, provide employment opportunities, attract retail businesses, improve access to public services and other benefits. This research is needed to assist transit agencies and local governments in planning innovative financing for public transportation projects and in projecting the impact of planned investments.

Safety Strategic Goal: (\$250,000 in contract/project development research)

Safety Research Coordination: \$150,000

This project would collaborate closely with the Safety Council, OST-R and the modes to identify safety research needs and promote dissemination of important safety research and data products. The Safety Council provides a forum to identify, prioritize and coordinate cross-modal safety challenges and emerging safety policy initiatives. The funding includes technical and logistical support of the DOT Safety Council, including monthly technical team meetings and as-needed Executive Council meetings to make decisions on critical cross-modal safety issues. Research will be associated with emerging and critical cross-modal safety issues, including driver distraction, pedestrian and bicycle safety, Bakken oil transportation issues, and other issues that emerge through Safety Council discussions. Research products will focus on cross-modal policy, investment and administrative solutions that will address identified barriers and continue to build a systematic approach to addressing transportation safety problems. 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.

Pedestrian and Bicycle Safety Initiative: \$100,000

This project will support the second year of a collaborative multi-modal project to identify solutions to persistent barriers to improved pedestrian and bicycle safety problems. Research issues are being identified during FY 2015 through the Pedestrian and Bicycle Safety Action Team and its outreach to stakeholders, university partners, and state and local practitioners. Research projects will include a focus on providing safe access to public transportation routes, removal of policy barriers that prevent installation of safer bicycle and pedestrian infrastructure, and other topics still being identified. Solutions-oriented research products will be developed in the form of toolkits, webinars, classroom instruction and other methods to ensure that research findings can be applied by practitioners in State and local transportation agencies. The projects will help the Department reach its safety performance goals, and help State and local transportation agencies bring down the rate of pedestrian and bicycle fatalities and injuries.

What Benefits Will Be Provided To The American People Through This Request?

TPR&D supports multiple programs that advance White House and Secretary of Transportation objectives. Below are some of the beneficial impacts to the American public:

- Ensuring fair and efficient air service to the American public by providing oversight over proposed airline mergers and acquisitions
- Modernizing the data collection methods, usefulness and consistency of aviation data, which is used by the Department of Transportation, the aviation industry and the American Public to enhance aviation route planning as well as long term strategic

- planning and the Department's review of Essential Air Service carrier selection orders and Small Community Air Service Development Program grant awards
- Review of domestic and international airline schedules to help enhance competition and growth in aviation
 - Maintaining constant dialog with foreign countries regarding cooperative airline programs and assuring the fairness of competition between domestic and international air carriers
 - Providing climate resiliency planning technical assistance to state, local and tribal communities
 - Identifying aspects of the U.S. transportation system that might be enhanced to increase international exports and provide economic benefits
 - Providing enhanced benefit – cost analysis to better measure the impact of proposed infrastructure investments
 - Emphasizing the importance of general aviation in support of the National Export Initiative
 - Assisting in making the transportation sector more sustainable through research to support policy decisions on climate change mitigation, alternative fuels and strategies to reduce transportation pollution and impacts on the natural environment

Additionally, the various research and development projects created funded through this appropriation directly and indirectly facilitate job creation in the areas of general aviation, commercial airlines, freight hauling, transportation infrastructure and the export of U.S produced goods and services internationally.

OFFICE OF THE SECRETARY OF TRANSPORTATION
TRANSPORTATION PLANNING RESEARCH AND DEVELOPMENT

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$7,000	26
FY 2015 Enacted	\$6,000	27
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$12	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$18	
January 2016 Pay Raise	\$45	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$107	
FERS and FEHB Increases	\$2	
Inflation	\$5	
FY 2016 Baseline Estimate	\$5,976	27
<u>FY 2016 Program Changes (+/-):</u>		
A \$1 million increase for resilience planning technical assistance, which will provide assistance to incorporating climate resilience into state, local and tribal community plans.	\$4,044	5
A \$500 thousand increase for research for future trends in shale development.		
A \$2,543 thousand increase in contractual services for large-scale programs in multiple areas including international and domestic aviation are proposed, as well as the furtherance of the goals of National Export Initiative. In FY 2016, NEI objectives will require the Department to focus on increasing exports to Mexico, Canada, China, Brazil and India with a targeted emphasis on those countries' infrastructure and transportation sectors. The Department is also working to improve cost-benefit analysis programs for federal and state level projects and infrastructure planning, as well as provide guidance on estimating property value benefits from transit investments, and initiating multiple safety driven projects.		
Total, FY 2016 Request	\$10,019	32

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2014	FY 2015	FY 2016
69-0142-0-1-407		ACTUAL	ENACTED	REQUEST
Obligations by program activity:				
0001	Transportation policy and planning	8,470	11,000	13,309
0002	Safe Skies	970	0	0
0003	New Headquarters	198	0	0
0004	Mississippi & Missouri Rivers Study pursuant to Pub. L. 111-117, Section 195	0	0	0
0091	Direct program activities, subtotal	9,638	11,000	13,309
0100	Total direct program	9,638	11,000	13,309
0801	Reimbursable program activity	500	700	0
0900	Total new obligations	10,138	11,700	13,309
Budgetary Resources:				
Unobligated balance:				
1000	Unobligated balance brought forward, Oct 1	9,771	7,989	3,289
1011	Unobligated balance transferred from other accounts	964		
1012	Unobligated balance, transferred between expired/unexp accts	395	0	0
1021	Recoveries of prior year unpaid obligations	1,538	0	0
10.29	Unobligated balance withdrawn	0	0	0
1050	Unobligated balance (total)	12,668	7,989	3,289
Budget Authority:				
Appropriations, discretionary:				
1100	Appropriation	7,000	6,000	10,019
1130	Appropriation permanently reduced	0	0	0
1131	Unobligated balance of appropriations permanently reduced	-2,750	0	0
1160	Appropriations, discretionary (total)	4,250	6,000	10,019
Spending authority from offsetting collections, discretionary:				
1700	Collected	24	1,000	0
1701	Change in uncollected payments, Federal sources	1,184	0	0
1750	Spending authority from offsetting collections, discretionary (total)	1,208	1,000	0
1900	Budget authority (total)	5,458	7,000	10,019
1930	Total budgetary resources available	18,125	14,989	13,309
Memorandum (non-add) entries:				
1941	Unexpired unobligated balance, end of year	7,987	3,289	0
Change in obligated balance:				
Obligated balance, start of year (net):				
3000	Unpaid obligations, brought forward, Oct 1 (gross)	7,444	6,511	13,605
3010	Obligations incurred, unexpired accounts	10,138	11,700	13,309
3020	Outlays (gross)	-9,533	-15,258	-7,258
3040	Recoveries of prior year unpaid obligations, unexpired	-1,538	0	0
3041	Recoveries of prior year unpaid obligations, expired	0	0	0
3050	Unpaid obligations, end of year (gross)	6,511	13,605	14,674
3060	Uncollected pymts, Fed sources, brought forward, Oct 1	609	-1,793	-1,793
3070	Change in uncollected pymts, Fed sources, unexpired	-1,184	0	0
Obligated balance, end of year (net):				
3090	Uncollected pymts, Fed sources, end of year	-1,793	-1,793	-1,793
3100	Obligated balance, start of year (net)	6,835	4,718	11,812
3200	Obligated balance, end of year (net)	4,718	11,812	12,882
Budget authority and outlays, net:				
Discretionary:				
4000	Budget authority, gross	5,458	7,000	10,019
Outlays, gross:				
4010	Outlays from new discretionary authority	5,073	3,400	4,008
4011	Outlays from discretionary balances	4,460	11,858	3,250
4020	Outlays, gross (total)	9,533	15,258	7,258
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	0	-1,000	0
40.33	Non-Federal sources	-24	0	0
Additional offsets against gross budget authority only:				
4050	Chg in Uncollected cust orders fm Fed Sources (unexpired)	-1,184	0	0
4060	Additional offsets against gross budget authority only (total)	0	0	0
4180	Budget authority, net (total)	4,250	6,000	10,019
4190	Outlays, net (total)	9,509	14,258	7,258

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TRANSPORTATION PLANNING, RESEARCH AND DEVELOPMENT

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$3,514	\$3,500	\$4,272
11.3 Other than full-time permanent	\$0	\$153	\$155
11.5 Other personnel compensation	\$0	\$0	\$0
11.9 Total personnel compensation	\$3,514	\$3,653	\$4,427
12.1 Civilian personnel benefits	\$910	\$1,150	\$1,169
21.0 Travel and transportation of persons	\$131	\$155	\$156
23.0 Rent and Comm, Util	\$0	\$1	\$1
24.0 Printing	\$0	\$20	\$20
25.1 Other services	\$3,220	\$0	\$3,289
25.2 Other services	\$47	\$4,221	\$3,551
25.3 Other services	\$1,784	\$1,764	\$659
26.0 Supplies and materials	\$5	\$21	\$21
31.0 Equipment	\$27	\$16	\$16
99.0 Subtotal, direct obligations	\$9,638	\$11,000	\$13,309
Reimbursable obligations:			
25.3 Other services	\$500	\$700	\$0
99.0 Subtotal, Reimbursable obligations	\$500	\$700	\$0
99.9 Total obligations	\$10,138	\$11,700	\$13,309

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-0142-0-1-407	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	26	27	32

OFFICE OF THE SECRETARY OF TRANSPORTATION

TIGER GRANTS PROGRAM

**NATIONAL INFRASTRUCTURE INVESTMENTS (NII)
(Discretionary)**

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Infrastructure Investments	\$580,000	\$480,000	\$0	-\$480,000
Administrative Expenses	\$20,000	\$20,000	\$0	-\$20,000
TOTAL	\$600,000	\$500,000	\$0	-\$500,000

STAFFING

Direct Positions	12	12	0	-12
Direct FTEs	6	10	0	-10
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

OFFICE OF THE SECRETARY OF TRANSPORTATION

TIGER GRANTS PROGRAM

**NATIONAL INFRASTRUCTURE INVESTMENTS (NII)
(Mandatory)**

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
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
TOTAL	\$0	\$0	\$1,250,000	\$1,250,000
<i>Obligation Limitation (Trust Fund)</i>	[\$0.000]	[\$0.000]	[\$1,250,000]	[\$1,250,000]
<i>Liquidating Cash (Trust Fund)</i>	[\$0.000]	[\$0.000]	[\$1,250,000]	[\$1,250,000]
<u>STAFFING</u>				
Direct Positions	0	0	12	12
Direct FTEs	0	0	10	10
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

Detailed Justification for the TIGER Grants Program

What Is This Program/Activity And Why Is It Necessary?

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 to make our communities safer, more sustainable, and economically secure.

The surface transportation reauthorization proposal includes \$1.25 billion in contract authority for the FY 2016 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.

The TIGER Grants Program is necessary because States, local and tribal governments, transit agencies, or 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 six 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 \$4.1 billion available. In the most recent round of TIGER (FY 2014), DOT received over 790 applications requesting more than \$9.5 billion in funding, (i.e., nearly 16 times the \$600 million available for TIGER in FY 2014). While DOT

was able to fund only four percent of the proposed \$9.5 billion in applications, 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 rewards applicants that demonstrate a level of commitment, planning, and partnership that stands apart from others. As 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.

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.

In 2014, DOT awarded 72 grants under this Program. The following grant awards are a small, but striking sample of the compelling results from over six rounds of the TIGER Grants Program:

- In New York City, New York, for example, the Department awarded a \$25 million grant for the Vision Zero: Saving Lives and Providing Opportunity Project (a \$52.8 million project) that will fund a 3-part safety improvement program in New York City, comprised of safe pedestrian access to schools and transit, and safe bicycle access to jobs via completion of trail systems connecting distressed communities with employment centers.
- For Salyersville, Kentucky, the Department awarded a \$24 million grant for the Mountain Parkway Extension Project (a \$39 million project) that will help widen 2.4 miles of the Mountain Parkway from two to four lanes in remote Eastern Kentucky through the City of Salyersville's largest commercial district. This will enhance safety, reduce travel time, ease access to public services and provide transportation choices.
- In Claiborne County, Mississippi, the Department awarded a \$17.8 million grant for the Three-County Roadway Improvements Program (a \$18.7million project) that will radically improve motor vehicle transportation reliability and safety in an economically-disadvantaged, rural region by rehabilitating 41.16 miles of strategic county roads and replacing 18 bridges.
- In Chamberlain, South Dakota, the Department awarded a \$12.6 million grant (a \$29.9 million project) to replace obsolete 65-85 pound rail with modern 112 pound rail, repair bridges and culverts, and replace broken and damaged ties that will ultimately help restore service to 41.6 miles of a state-owned branch rail line from Chamberlain to Presho, SD.

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 Need To Fund The Program At The Requested Level?

The Administration is proposing \$1.25 billion in FY 2016 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 infrastructure projects that DOT has funded over the past six 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 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 proposes to include up to \$35 million to support planning grants similar to those awarded in FY 2010 and FY 2014 rounds of TIGER to continue to support the development of a robust pipeline of capital-ready infrastructure projects.

What Benefits Will Be Provided To The American Public Through This Request?

In an era of increasingly scarce resources, tradeoffs and choices need to be made in the TIGER Program which has shown its importance since its creation in 2009 as part of the American Recovery and Reinvestment Act. States, local and tribal governments, transit agencies, or a collaboration among such entities, has sought more cost-effective, innovative solutions to complex transportation and economic development challenges. This has required 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, has assisted 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.

OFFICE OF THE SECRETARY OF TRANSPORTATION**TIGER GRANTS PROGRAM****NATIONAL INFRASTRUCTURE INVESTMENTS (NII)
(Discretionary)****Explanation of Funding Changes**

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$600,000	6
FY 2015 Enacted	\$500,000	10
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$16	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$25	
January 2016 Pay Raise	\$62	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$133	
FY 2016 Baseline Estimate	\$500,236	10
<u>FY 2016 Program Changes (+/-):</u>	-\$500,236	-10
Total, FY 2016 Request	\$0	0

OFFICE OF THE SECRETARY OF TRANSPORTATION
TIGER GRANTS PROGRAM
NATIONAL INFRASTRUCTURE INVESTMENTS (NII)
(Mandatory)

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$0	0
FY 2015 Enacted	\$0	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
FY 2016 Baseline Estimate	\$0	0
<u>FY 2016 Program Changes (+/-):</u>	\$1,250,000	10
GROW AMERICA proposes \$1.25 billion of contract authority for the TIGER Program. The FY 2016 budget proposes a \$1.25 billion obligation limitation and \$1.25 billion of liquidating cash.		
Total, FY 2016 Request	\$1,250,000	10

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS
(Discretionary)

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2014	FY 2015	FY 2016
69-0143-0-1-401		Actual	Enacted	Request
Obligations by program activity:				
0001	Discretionary Grants	461,844	1,064,062	0
0002	Admin	9,846	11,383	15,000
0003	TIFIA Admin & Subsidy	0	0	0
0900	Total Obligations	471,690	1,075,445	15,000
Budgetary Resources available for obligation:				
Unobligated balance:				
1000	Available, start of year	473,343	599,945	24,500
1010	Transferred to other accounts (-)	-467,712	0	0
1011	Transferred from other accounts	467,712	0	0
1021	Resources available from recoveries of prior year obligations	10	0	0
1050	Unobligated balance (total)	473,353	599,945	24,500
New Budget Authority (Gross), Detail:				
Appropriations, Discretionary:				
1100	Appropriation	600,000	500,000	0
1120	Transfers to other accounts (-)	-556	0	0
1121	Transfers from other accounts	556	0	0
1130	Appropriation permanently reduced	0	0	0
1160	Appropriation, discretionary (total)	600,000	500,000	0
Appropriations, Discretionary:				
1700	Offsetting collections (cash) (unexpired only)	0	0	0
1750	Spending authority fm offsetting collections (total)	0	0	0
1900	Total new budget authority (gross)	600,000	500,000	0
1930	Total budgetary resources available for obligation	1,073,353	1,099,945	24,500
Memorandum:				
1940	Unobligated balance expiring	-1,717	0	0
1941	Unobligated balance available, end of year	599,945	24,500	9,500
Change in obligated balance:				
3000	Ob Bal: SOY: Unpaid obs brought forwd, Oct 1	1,158,055	1,214,544	1,825,529
3010	Ob Bal: Obligations incurred: Unexpired accounts	471,690	1,075,445	15,000
3011	Ob Bal: Obligations incurred: Expired accounts	64	0	0
3020	Ob Bal: Outlays (gross)	-413,919	-464,459	-515,575
3040	Ob Bal: Recov, prior year unpaid obs, unexp accts	-10	0	0
3041	Ob Bal: Recov, prior year unpaid obs, exp accts	-1,327	0	0
3050	Ob Bal: EOY: Unpaid obligations	1,214,553	1,825,529	1,324,955
Memorandum:				
3100	Obligated balance, start of year	1,158,055	1,214,544	1,825,529
3200	Obligated balance, end of year	1,214,544	1,825,529	1,324,955
Budget authority and outlays, net:				
Discretionary				
4000	Budget authority, gross	600,000	500,000	0
Outlays, gross				
4010	Outlays from new discretionary authority	0	0	0
4011	Outlays from discretionary balances	413,919	464,459	515,575
4020	Outlays, gross (total)	413,919	464,459	515,575
Offsets against gross budget authority and outlays:				
Offsetting collections (collected) from:				
4030	Federal sources	0	0	0
4180	Budget authority, net	600,000	500,000	0
4190	Outlays, net	413,919	464,459	515,575

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

TIGER GRANTS PROGRAM

NATIONAL INFRASTRUCTURE INVESTMENTS
(Discretionary)

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0143-0-1-401	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	697	695	611
11.3 Other than full-time permanent	42	42	37
11.5 Other personnel compensation	92	92	81
11.9 Total personnel compensation	832	830	729
12.1 Civilian personnel benefits	227	207	182
21.0 Travel and transportation of persons	39	34	35
22.0 Transportation of things	-	-	-
23.0 Communication and utilities	-	-	-
24.0 Printing and Reproduction	-	-	-
25.1 Advisory and assistance service	3,267	2,806	2,938
25.2 Other services from non-federal sources	-	-	-
25.3 Other goods and services from Federal sources	496	426	446
26.0 Supplies and materials	9	8	8
31.0 Equipment	-	-	-
41.0 Grants, subsidies, and contributions	-	-	-
94.0 Financial Transfers	-	-	-
99.0 Direct obligations	4,870	4,311	4,339
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	699	1,387	1,275
11.3 Other than full-time permanent	2	4	4
11.5 Other personnel compensation	-	-	-
11.8 Special personal services payments	-	-	-
12.1 Civilian personnel benefits	216	429	395
21.0 Travel and transportation of persons	258	334	542
22.0 Transportation of Things	8	10	16
24.0 Printing and Reproduction	-	-	-
25.2 Other services from non-federal sources	3,793	4,908	7,973
26.0 Supplies and materials	-	-	-
41.0 Grants, subsidies, and contributions	461,844	1,064,062	-
99.0 Allocation account - direct	466,820	1,071,134	10,205
99.9 Direct obligations	471,690	1,075,445	14,544

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-0143-0-1-401	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears:			
Full-time equivalent employment	6	10	0

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	FY 2014	FY 2015	FY 2016
69-8372-4-7-400	Actual	Enacted	Request
Obligations by program activity:			
0001 Mandatory Grants	-	-	1,230,000
0002 Admin	-	-	-
0900 Total Obligations	-	-	1,230,000
Budgetary Resources available for obligation:			
New Budget Authority (Gross), Detail:			
Appropriations, Discretionary:			
1101 Appropriation (special or trust fund)	-	-	1,250,000
1137 Appropriation applied to liquate contract authority	-	-	(1,250,000)
1160 Appropriation, discretionary (total)	-	-	-
Appropriations, Mandatory:			
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	-	-	20,000
Change in obligated balance:			
Unpaid obligations:			
3010 Obligations incurred: Unexpired accounts	-	-	1,230,000
3050 Unpaid obligations, end of year	-	-	1,230,000
Memorandum (non-add) entries:			
3200 Obligated balance, end of year	-	-	1,230,000
Budget authority and outlays, net:			
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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-8372-4-7-400			
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	-	-	108
11.3 Other than full-time permanent	-	-	7
11.5 Other personnel compensation	-	-	14
11.9 Total personnel compensation	-	-	129
12.1 Civilian personnel benefits	-	-	32
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	-	-	-
25.2 Other services from non-federal sources	-	-	-
25.3 Other goods and services from Federal sources	-	-	-
26.0 Supplies and materials	-	-	-
31.0 Equipment	-	-	-
41.0 Grants, subsidies, and contributions	-	-	-
94.0 Financial Transfers	-	-	-
99.0 Direct obligations	-	-	161
Allocation Account - direct:			
11.1 Personnel compensation: Full-time permanent	-	-	225
11.3 Other than full-time permanent	-	-	1
11.5 Other personnel compensation	-	-	-
11.8 Special personal services payments	-	-	-
12.1 Civilian personnel benefits	-	-	70
21.0 Travel and transportation of persons	-	-	-
22.0 Transportation of Things	-	-	-
24.0 Printing and Reproduction	-	-	-
25.2 Other services from non-federal sources	-	-	-
26.0 Supplies and materials	-	-	-
41.0 Grants, subsidies, and contributions	-	-	1,230,000
99.0 Allocation account - direct	-	-	1,230,295
99.9 Direct obligations	-	-	1,230,456

PERSONNEL SUMMARY

Identification Code	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-8372-4-7-400			
1001 Total compensable workyears:			
Full-time equivalent employment	0	0	10

Section 3 - FY 2016 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code		FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-0147-0-1-407				
	Obligations by program activity:			
00.01	Direct program activity	1,609	134	0
09.00	Total new obligations	1,609	134	0
	Budgetary resources available for obligations:			
10.00	Unobligated balance, brought forward Oct 1	999	134	0
10.21	Recoveries of prior year obligations	744	0	0
10.50	Unobligated balance (total)	1,743	134	0
	New budget authority (gross), detail:			
	Discretionary:			
	Discretionary: Spending authority from offsetting collections:			
19.30	Total budgetary resources available	1,743	134	0
	Memorandum (non-add) entries:			
19.41	Unexpired unobligated balance, end of year	134	0	0
	Change in obligated balance:			
30.00	Unpaid obligations, brought forward, October 1	1,141	1,372	0
30.10	Obligations incurred, unexpired accounts	1,609	134	0
30.20	Outlays (gross)	-634	-1,506	0
30.40	Recoveries of prior year obligations, unexpired accounts	-744	0	0
30.50	Unpaid obligations, end of year (gross)	1,372	0	0
31.00	Obligated balance, start of year (net)	1,141	1,372	0
32.00	Obligated balance, end of year (net)	1,372	0	0
	Outlays (gross), detail:			
40.10	Outlays from new discretionary authority	0	0	0
40.11	Outlays from discretionary balances	634	1,506	0
40.20	Outlays, gross (total)	634	1,506	0
	Net budget authority and outlays:			
41.80	Budget authority (net)	0	0	0
41.90	Outlays (net)	634	1,506	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

NEW HEADQUARTERS BUILDING

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0147-0-1-407	ACTUAL	ENACTED	REQUEST
25.2 Direct obligations:			
Other services	1609	134	0
99.9 Total new obligations	1,609	134	0

OFFICE OF THE SECRETARY OF TRANSPORTATION
MINORITY BUSINESS RESOURCE CENTER PROGRAM

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Guaranteed Loan Subsidy	\$333	\$333	\$336	\$3
<u>Administrative Expenses:</u>				
<i>Personnel Compensation and Benefits</i>	\$174	\$178	\$181	\$3
<i>Travel</i>	\$5	\$5	\$4	-\$1
<i>Loan Fees</i>	\$204	\$204	\$206	\$2
<i>Other Costs</i>	\$209	\$205	\$206	\$1
Subtotal, Discretionary	\$925	\$925	\$933	\$8
<u>Guaranteed Loan Subsidy Reestimate - Mandatory</u>	\$25	\$0	\$0	\$0
GRAND TOTAL	<u>\$950</u>	<u>\$925</u>	<u>\$933</u>	<u>\$8</u>
Guaranteed Loan Financing	[18,367]	[18,367]	0 ^{1/}	[18,367]
<u>STAFFING</u>				
Direct Positions	1	1	1	0
Direct FTEs	0.48	1	1	0
Reimbursable Positions	0	0	0	0
Reimbursable FTEs	0	0	0	0

^{1/} No limitation is proposed. The amount of loans guaranteed will be determined by the amount of subsidy funding enacted.

The Minority Business Resource Center is requesting \$.933 million and 1 FTE in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Minority Business Resource Center Program

What Is This Program and Why Is It Necessary?

The Short Term Lending Program (STLP), which is administered by the Office of Small and Disadvantaged Business Utilization (OSDBU), 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 OSDBU.

Anticipated FY 2015 Accomplishments:

- Maintain the loan volume at 26 loans.
- Maintain the Participating Lender coverage at 100% coverage of the continental United States, plus coverage for Alaska, Hawaii, and Puerto Rico.
- Broaden participation in the program, while maintaining or reducing the historically low default rate.

Performance Measures:

Economic Competitiveness:

- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to small disadvantaged businesses.
- Increase percent share of total dollar value of DOT-procurement dollars (direct contracts) that are awarded to women-owned businesses.

Why Is This Particular Program Necessary?

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

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.

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:

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 Corporation has been in the Short Term Lending Program since May of 2012. It was approved for a \$700,000 renewal line of credit. A total of 25 jobs were retained by the approval of this loan renewal.

West Point Contractors, Inc.

West Point Contractors, Inc. is a Service-Disabled Veteran Owned construction company based out of Tucson, Arizona, that specializes in Design-Build, Bid, and Construction Manager at Risk, Horizontal Construction, Vertical Construction, and Green Building & Design. The company was founded in 1994.

West Point Contractors has worked to develop a reputation throughout Arizona and the Western United States. The company has grown from a one-man company to employing over 50 employees. The line of credit was approved for \$750,000 retained 45 jobs.

Lynch and Associates – Engineering Consultants, LLC

Lynch specializes in Transportation, Municipal, Site Design, Construction Management, and Structural Engineering. Lynch is based out of Waukesha, Wisconsin, and is a certified DBE woman-owned business. Lynch has participated in DOT STLP since October 2011.

The Zoo Interchange is Lynch's transportation-related project for the STLP. The Zoo Interchange is one of Wisconsin's oldest interstate interchanges and is currently the busiest interchange in the state. It plays a key role in moving commuters, retail customers, health care patients, freight and other movements to major commercial and institutional sites. The STLP funds will help retain 10 jobs and create 2 additional jobs. The STLP Participating Lender approving the loan is Town Bank.

Caribe Utilities of Florida, Inc.

Caribe Utilities of Florida, Inc. a certified DBE in the state of Florida, based out of Miami, specializes in construction of roadways, drainage systems, water & sewer systems, earthwork and asphalt paving. Caribe Utilities of Florida, Inc. was founded in 2005.

Caribe has been in the Short Term Lending Program since 2011. They have remained stable and experienced growth while participating in the program. Caribe's recent renewal line of credit in the amount of \$250,000 retained 24 jobs.

Other Successes:

Participation Lender Seaway Bank Provides National STLP Coverage

In January, 2015 OSDBU announced Seaway Bank and Trust Company will provide National Coverage for the STLP. Seaway Bank first joined OSDBU's STLP as a participating lender in 1999 and has since risen to be one of the STLP's strongest lenders. Based out of Chicago, and holding the Disadvantaged Business Enterprise (DBE) certification in the state of Illinois, they completed approximately \$4.4 million in loans since 2003.

3 Loans Applications from a BEP Series Tied to DOT Financed P3 Project

In October through November 2014, the Southeast SBTRC hosted a Bonding Education Program (BEP) series tied to the I4 Ultimate Orlando Project, a DOT financed Public Private Partnership project. Every BEP shares information on OSDBU's STLP and OSDBU's ability to help small businesses with achieving financial capacity. The Southeast SBTRC assisted 3 small businesses in preparing documentation and an application for financial assistance. These 3 firms hope to build their financial capacity to successfully place a bid on some of the I4 Ultimate Orlando Project contract opportunities.

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for 2015; (2) one additional compensable day; (3) an estimated 1.3 percent pay raise for 2016; (4) adjustments in Working Capital Fund; (5) mandated increases in the Federal share of FERS costs; and (6) an increase for an estimated 1 percent inflation, as well as an estimated 1 FTE and associated costs.

What benefits will be provided to the American Public through this request?

The Short Term Lending Program (STLP) provides financial capacity for eligible small businesses and creates job growth and assisting in creating economic and employment growth.

OFFICE OF THE SECRETARY OF TRANSPORTATION
MINORITY BUSINESS RESOURCE CENTER PROGRAM

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$950	0.48
FY 2015 Enacted	\$925	1
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$1	
January 2016 Pay Raise	\$2	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$1	
FERS and FEHB Increases	\$0	
Inflation	\$7	
FY 2016 Baseline Estimate	\$934	1
<u>FY 2016 Program Changes (+/-):</u>		
Travel reduction pursuant to P.L. 113-76, Division E, Section 742(e).	-\$1	0
Total, FY 2016 Request	\$933	1

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

MBRC PROGRAM ACCOUNT

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code	FY 2014	FY 2015	FY 2016
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
Obligations by Program Activity:			
0002	62	333	336
0707	123	153	0
0708	2	3	0
0709	243	592	597
0900	430	1,081	933
Budget resources available for obligation:			
2200	1,050	1,081	933
2395	-430	-1,081	-933
2398	620	0	0
Budgetary Resources:			
Budget Authority:			
<i>Appropriations, discretionary</i>			
1100	925	925	933
1130	0	0	0
1160	925	925	933
<i>Appropriations, Mandatory:</i>			
1200	125	156	0
1930	1,050	1,081	933
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	200	219	0
3010	430	1,081	933
3011	0	0	0
3020	-390	-1,300	-933
3041	-21	0	0
3050	219	0	0
Budget authority and outlays, net			
Discretionary:			
Outlays, gross:			
4000	925	925	933
4010	154	925	933
4011	111	219	0
4100	125	156	0
4020	390	1,300	933
4180	1,050	1,081	933
4190	279	1,300	933

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 2014	FY 2015	FY 2016
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
Guaranteed loan levels supportable by subsidy budget authority:			
2150 Loan guarantee levels	3,545	14,670	13,440
2159 Total loan guarantee levels	2,659	14,670	13,440
2320 Subsidy rate	1.76	2.27	2.50
2329 Weighed average subsidy rate	1.76	2.27	2.50
2330 Subsidy BA	62	333	336
2339 Total subsidy BA	62	333	336
2340 Subsidy outlays	78	354	336
2349 Total subsidy outlays	78	354	336
2350 Upward reestimate	125	156	0
2370 Downward reestimate	27	0	0
3510 Administrative expense BA	243	592	597
3580 Administrative expense outlays from balances	75	198	0
3590 Administrative expense outlays from new authority	112	592	597

PERSONNEL SUMMARY

Identification code	FY 2014	FY 2015	FY 2016
69-0155-0-1-407	ACTUAL	ENACTED	REQUEST
Direct:			
Total compensable workyears: Civilian full-time			
1001 equivalent employments	1	1	1

Section 3 - FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-4082-0-3-407			
Program by activities:			
00.01 Default claims	134	672	63
00.02 Payment of interest to Treasury	0	0	0
08.02 Downward subsidy reestimate	25	0	0
08.04 Interest on downward subsidy reestimate	<u>1</u>	<u>0</u>	<u>0</u>
10.00 Total obligations	160	672	63
Budgetary resources available for obligation:			
21.40 Unobligated balance carried forward, start of year	578	591	408
22.00 New financing authority (gross)	174	489	336
23.90 Total budgetary resources available for obligation	752	1,080	744
23.95 Total new obligations	<u>-161</u>	<u>-672</u>	<u>-63</u>
24.40 Unobligated balance carried forward, end of year	591	408	681
New financing authority (gross), detail:			
Spending authority from offsetting collections			
Mandatory			
67.10 Borrowing authority	0	0	0
69.00 Offsetting collections (cash)	209	511	336
69.10 Change in uncollected customer payments from Federal sources	-34	-22	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)	175	489	336
Change in obligated balances:			
72.40 Obligated balance, start of year	-56	-22	0
73.10 Total new obligations	161	672	63
73.20 Total financing disbursements (gross)	-161	-672	-63
74.00 Change in uncollected customer payments from Federal sources	<u>34</u>	<u>22</u>	<u>0</u>
74.40 Obligated balance, end of year	-22	0	0
Outlays (gross), detail			
87.00 Total financing disbursements (gross)	161	459	63
Offsets			
Against gross financing authority and financing disbursements:			
88.00 Offsetting collections (cash) from : Federal sources (subsidy)	62	389	417
88.00 Offsetting collections (cash) from : Federal sources (upward reestimate)	125	125	0
88.25 Interest on uninvested funds	3	20	20
88.90 Total offsetting collections (cash)	209	511	336
88.95 Change in uncollected customer payments from Federal sources	-34	-22	0
Net financing authority and financing disbursements			
89.00 Financing authority	0		
90.00 Financing disbursements	<u>-365</u>	<u>-19</u>	<u>-361</u>

Section 3 - FY 2016 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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-4082-0-3-407			
Position with respect to appropriations act limitation on commitments			
2111 Limitation on guaranteed loans made by private lenders	18,367	14,670	13,440
2142 Uncommitted loan limitation	14,822	0	0
2150 Total guaranteed loan commitments	3,545	14,670	13,440
2199 Guaranteed amount of guaranteed loan commitments	2,659	11,003	10,080
Cumulative balance of guaranteed loans outstanding:			
2210 Outstanding, start of year	3,474	5,112	14,670
2231 Disbursements of new guaranteed loans	3,190	14,670	13,440
2251 Repayments and prepayments	-1,418	-4,440	-14,607
2263 Terminations for default that result in claim payments	-134	-672	-63
2264 Other adjustments, net			
2290 Outstanding, end of year	5,112	14,670	13,440
Memorandum:			
2299 Guaranteed amt of guaranteed loans outstanding, EOY	3,834	11,003	10,080
6300 Net financing disbursements	-365	-19	-361

MINORITY BUSINESS RESOURCE CENTER
 GUARANTEED LOAN FINANCING ACCOUNT

BALANCE SHEET
 (In thousands of dollars)

Identification Code	FY 2014
69-4082-0-3-407	ACTUAL
ASSETS:	
Federal assets:	
1101 Fund balances with Treasury	591
1106 Receivables, Net	0
1999 Total assets	591
LIABILITIES:	
2101 Accounts Payable	0
2103 Debt	0
2104 Resources payable to Treasury	0
2204 Non-Federal liabilities: Liabilities for loan guarantees	591
2999 Total liabilities	591
NET POSITION:	
3999 Total net position	
4999 Total liabilities and net position	591

OFFICE OF THE SECRETARY OF TRANSPORTATION
CYBER SECURITY INITIATIVES

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$4,455	\$5,000	\$8,000	\$3,000
TOTAL	\$4,455	\$5,000	\$8,000	\$3,000

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 Office of the Chief Information Officer is requesting \$8 million in FY 2016 to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Cyber Security Initiatives

What Is This Program And Why Is It Necessary?

The Department of Transportation Chief Information Officer (DOT CIO) is the principal information technology (IT), cyber security, cyber security risk management, and information assurance advisor to the Secretary. The Office of the CIO (OCIO) supports the **Organizational Excellence** Strategic Goal.

The focus of the FY 2016 Cyber Security Initiatives request is broken down in four main areas:

1. DOT Information Security and Continuous Monitoring (ISCM) program: Advance the DOT continuous monitoring and Trusted Internet Connection (TIC) programs to improve the security of the Department and to meet Federal objectives.
2. Wide Area Network (WAN) Management: Continue to refresh and modernize targeted, priority infrastructure and communication vulnerabilities in the field.
3. Data Center Build out: Continue to deploy hardware and network connectivity to the headquarters data center to migrate high risk and vulnerable systems to the secure production environment.
4. Secure Remote Access: Continue to support and enhance secure remote access and remediate specific vulnerabilities.

DOT plans to request funding through the Cyber Appropriation on a permanent basis. While the Department anticipates savings resulting from the IT Workforce Initiative, the anticipated savings will not satisfy all urgent cyber security needs. The use of the savings will be approved and prioritized in coordination with the DOT CIO Council, including reinvestment in modal operations priorities and/or enterprise-level IT programs.

The investment activity supports the Departmental Information Resource Management (IRM) plan, and cyber security objectives, which include holistic activities to invest in people, process, and technologies at strategic, operational, and tactical levels for improved maturity and effectiveness of the Department's integrated Cyber Security, Information Assurance, and Risk Management program.

The projected permanence of the Cyber Appropriation is reflective of the urgent and growing need to increase cyber security 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 secure Internet services (MTIPS), Information Security Continuous Monitoring (ISCM) and ongoing authorization as specified in OMB Memorandum M-14-03, and Personal Identification Verification (PIV). These purchases are expected to remain within the Cyber Appropriation, unless new tool deployment results in decommissioning legacy equipment or off-setting OA expenditures for tools to be retired can be identified and applied to a portion of these purchases. 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 DOT 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 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) cyber security 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 Endpoint Manager (IEM) (aka. 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.

Anticipated FY 2015 Accomplishments:

The \$5 million appropriated in FY 2015 will allow DOT to make progress in complying with CAP goals in addition to developing and deploying consolidated improvements in enterprise IT infrastructure and services. Improvements will address cyber security vulnerabilities, technical control weaknesses, and capability gaps, provide better situational awareness and visibility into operational security posture, and allow a more proactive approach in identifying and remediating vulnerabilities.

Focus will continue on remediation of vulnerabilities associated with the CAP goals. DOT has made progress in improving Departmental scores in Continuous Monitoring, Personal Identification Verification (PIV) implementation for logical and physical access, and boundary protection via Trusted Internet Connection (TIC), but more work is needed to meet the Administration goals. DOT will continue to utilize the Cyber Appropriation to deploy tools to increase 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 a segment of obsolete infrastructure in support of the WAN modernization, for priority attention based upon age of equipment, assessed security vulnerabilities, and lack of other resources to address the candidate infrastructure. Areas of focus will include replacement of legacy infrastructure in the field, consolidation of duplicate systems, and the upgrade of current services to serve an expanded user base. 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 Do We Need To Fund The Program/Activity At The Requested Level?

The DOT OCIO is requesting \$8 million of cyber security funding for FY 2016. This is an increase of \$3 million to provide necessary resources for DOT to continue to improve the DOT's cyber security posture. In particular, DOT is requesting funding for:

1. DOT Information Security and Continuous Monitoring (ISCM) program
2. Wide Area Network (WAN) Management
3. Data Center Build Out
4. Identity Credential and Access Management

DOT Information Security and Continuous Monitoring (ISCM) program

The Department's top cyber security focus will be to address the DOT Information Security and Continuous Monitoring (ISCM) program. In this rapidly shifting environment, cyber security is no longer about building a fortress in an attempt to deter all penetration attempts through over reliance on fixed defenses. Rather, we must have a full view into the many layers of the network with an ability to watch activity and be prepared to mitigate issues as they develop. With an enhanced ISCM, we will have the ability to detect malicious activity early and respond more quickly and effectively. This will help us identify and correct vulnerabilities before an attacker does. We will advance our program by focusing on Trusted Internet Connection and Continuous Monitoring solutions.

Trusted Internet Connection (TIC)

The TIC is the first layer of defense against malicious activity. Our current TIC isn't compliant with Department of Homeland Security (DHS) standards. The TIC is not properly architected, and we lack critical capabilities to support detection of malicious activity and react to threats on a 24x7 basis. All users in the Common Operating Environment (COE) are dependent on the current TIC solution, so it is imperative that we update our infrastructure. A proper TIC will also ensure that DOT is meeting our commitment to federal safety standards and supporting the DHS role to monitor all federal traffic.

TIC standards for compliance are rapidly changing, and the Department has been unable to update the DOT TIC to remain current with updated requirements. Therefore, the Department has identified Managed Trusted Internet Protocol Services (MTIPS), or "Secure Internet-as-a-Service", a subscription service that ensures the solution is kept up to date. Funding will allow DOT to direct more DOT Internet activity through the service. This will improve visibility into malicious activity as well as the response capabilities of the Department. DOT has been working on an internal DOT network consolidation and traffic optimization, and the MTIPS solution will accommodate the increased bandwidth requirements as a result of these improvements. The MTIPS solution will also provide capacity for incorporating network traffic expected from current and future cloud service providers (CSPs) that are required to meet DOT and Federal requirements for secure Internet traffic management and monitoring.

Continuous Monitoring Solution

Funding is also required to expand the licensing and deployment of the Department's Continuous Monitoring (IEM) infrastructure (formally Big Fix) to incorporate devices and assets not covered within the scope of the original initiative, and not funded through the DHS CDM program. The resulting expansion will improve our ability to identify vulnerabilities that we cannot see and help us mitigate our vulnerabilities faster.

Training for staff will be improved to make more effective use of the tool and best leverage the capabilities of the platform. This will lay the groundwork to help the Department identify and prioritize the greatest vulnerabilities. In addition, the IEM expansion will include:

- Information and vulnerability analysis, dashboard creation and maintenance, and portfolio/investment integration support;
- DOT-specific resources for support of ISCM/CDM implementation and operational requirements not covered by the DHS program;
- Risk and security assessment resources to support improved inspection, review, and oversight of DOT component security programs;
- Security architecture and engineering to modernize and enhance the DOT security architecture and help keep it current with evolving requirements and responsive to emerging threats;
- Resources to support “security-as-a-service” offerings via an appropriate contract vehicle for improved implementation and delivery of key services including security authorization, software assurance assessments, penetration testing, and security engineering;
- Development and delivery of security awareness training, and specialized security training consistent with the DOT security awareness, training, and education program;
- Program, subject matter expertise, and project management resources to support timely and well-managed program operations.

Wide Area Network Management (WAN)

The FY 2016 Cyber Appropriation will also be utilized to continue the refresh and modernization of targeted, priority infrastructure in the field. Specifically, this funding will enhance the security of the WAN, making progress towards the goal of shifting from a reactive posture to a proactive approach that avoids system compromise and information loss to the maximum extent practicable.

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.

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 continue to replace infrastructure to support both OMB-mandated DOT network security requirements and network field integration. DOT will work to find opportunities to integrate these infrastructure improvements into the WCF through the IT Workforce Initiative.

Data Center Build Out

In FY 2014, a reprogramming request to utilize \$2.05M lapsed, unobligated FY 2013 Salaries and Expenses funds was approved to relocate production servers from the Frederick Data Center to the DOT Headquarters Data Center. The funds also supported a limited expansion of the existing DOT Headquarters Data Center to make room for the servers and to help avoid a recurrence of the current situation in the future.

As a separate initiative in FY 2016, funding is requested to complete the build out of 48 racks in the DOT Headquarters Data Center. This increased data center space will allow DOT to migrate equipment and decommission legacy sites that are not secure. In some cases, the current space does not meet federal requirements for security and communications standards. In other cases, the Department is utilizing data center space that is managed solely by contract staff. The additional data center space would allow DOT to better protect and monitor activity of DOT applications and data.

Identity Credential and Access Management

Increasing PIV SmartCard Usage Across the Agency

In FY2014, the Department made significant progress across the agency in increasing the mandatory use of PIV smartcards for network login to 13,000 personnel, including 4,100 personnel in the Federal Aviation Administration (FAA).

In FY2016, the Department will continue to collaborate with the FAA to implement the Administration priority for PIV card usage, increasing use of the PIV card within the FAA for network login to the maximum extent practicable. A parallel effort will be undertaken with the other operating administrations to review technological, process, or other impediments to increased use of the PIV card, especially among field personnel, and to make necessary

investments in technology and other changes to eliminate or significantly reduce mission impacts, and increase the numbers of mandatory PIV users in the field.

Secure Remote Access

In FY 2016, DOT will continue to support infrastructure elements procured in FYs 2013 – 2014, and work to implement strong authentication using agency PIV cards, and other FIPS-201-compliant credentials for remote access to agency networks and networks. Specifically, funding will maintain the Secure Remote Access user base preserving the Department's capabilities for remote and mobile employees, and support activities to reconfigure and enhance these services to better support PIV-card login.

What Benefits Will Be Provided To The American Public Through This Request?

In a time of new cyber threats and evolving vulnerabilities, it is imperative that the Department have the resources needed to plan for and address these risks. The Cyber Appropriation is necessary to improve the core DOT cyber security program and update the DOT IT infrastructure to mitigate immediate threats to critical business operations. The appropriation provides the funding needed to allow the Department to develop and implement solutions that are necessary for protecting the integrity and availability of the Department's assets. This Appropriation is vital to maintaining and expanding the Department's Continuous Diagnostic and Mitigation Program that allows DOT to identify and address vulnerabilities. This investment will ensure that the Department makes rapid and timely progress on implementation of the requisite capabilities, realizes an immediate value in the reduction of risk and improvement of cyber security practices and capabilities, and is supportive of Secretarial and Administration priorities to improve the cyber security posture of the Department. The resulting improvements will ensure improved reliability of services, greater integrity of information and services delivered by DOT, and protection of the information that stakeholders and the public provide to DOT as part of its normal operations, all with a reduced focus on reactive efforts and an increased focus on proactive, mission-sustaining activities.

OFFICE OF THE SECRETARY OF TRANSPORTATION

CYBER SECURITY INITIATIVES

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$4,455	0
FY 2015 Enacted	\$5,000	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$50	
FY 2016 Baseline Estimate	\$5,050	0
<u>FY 2016 Program Changes (+/-):</u>		
Funding will be used to enhance the Department's information security and continuous monitoring program; refresh and modernize priority infrastructure in the field; build out 48 racks in the DOT Headquarters Data Center; and increase PIV card usage and maintain Secure Remote Access.	\$2,950	0
Total, FY 2016 Request	\$8,000	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

PROGRAM AND FINANCING

(In thousands of dollars)

Identification code	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request
69-0159-0-1-407			
Obligations by program activity:			
0.01 General Administration	8,580	9,318	8,000
0.91 Direct program activities, subtotal	8,580	9,318	8,000
9.00 Total new obligations	8,580	9,318	8,000
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	8,446	4,318	0
10.50 Unobligated balance (total)	8,446	4,318	0
Budget Authority: appropriations, discretionary			
11.00 Appropriation	4,455	5,000	8,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	4,455	5,000	8,000
19.00 Budget Authority (Total)	4,455	5,000	8,000
19.30 Total Budgetary Resources Available	12,901	9,318	8,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	-3	0	0
19.41 Unexpired unobligated balance, end of year	4,318	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	4,573	3,486	8,394
30.10 Obligations incurred, unexpired accounts	8,580	9,318	8,000
30.20 Obligated balance, Outlays (gross)	-9,667	-4,411	-1,500
30.50 Unpaid obligations, end of year	3,486	8,394	14,894
Uncollected payments:			
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	4,573	3,486	8,394
32.00 Obligated balance, end of year	3,486	8,394	14,894
Budget Authority and outlays, net:			
40.00 Budget authority, gross	4,455	5,000	8,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	45	0	1,000
40.11 Outlays from discretionary balances	9,622	4,411	500
40.20 Outlays, gross (Total)	9,667	4,411	1,500
Offsets against gross budget authority and outlays:			
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.)	4,455	5,000	8,000
41.90 Outlays, net (disc. and mand.)	9,667	4,411	1,500

Section 3 - FY 2016 Budget Request by Appropriation

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

CYBER SECURITY INITIATIVES

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-0159-0-1-407	Actual	Enacted	Request
Direct obligations:			
23.3 Communications, utilities, and miscellaneous charges	2,229	1,990	3,676
25.1 Advisory and assistance services	565	0	0
25.2 Other services	77	1,856	2,142
25.3 Other purchases of goods and services from Government accts.	7	0	0
25.7 Operation and maintenance of equipment	1,769	0	0
31.0 Equipment	3,575	1,154	2,181
32.0	358	0	0
99.9 Total obligations	\$8,580	\$5,000	\$8,000

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-0159-0-1-407	Actual	Enacted	Request
1001 Total compensable workyears: Full-time equivalent employment	0	0	0

**DETAILED JUSTIFICATION for the OFFICE OF THE ASSISTANT SECRETARY
FOR RESEARCH AND TECHNOLOGY**

What Is The Request and What Funds are Currently Spent on the Program?

**OFFICE OF THE SECRETARY OF TRANSPORTATION
RESEARCH AND TECHNOLOGY**

<u>ITEM</u>	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 REQUEST</u>	<u>Difference from FY 2015 Enacted Budget</u>
<u>FUNDING LEVELS</u>				
<u>Research and Technology:</u>				
Salaries and Administrative Expenses	6,547	4,782	6,364	1,582
R&T Coordination	509	509	509	0
Alternative Fuels R&D	499	499	499	0
Positioning, Navigation and Timing (PNT)	1,610	1,610	1,610	0
Nationwide Differential Global Positioning System	5,600	5,600	5,600	0
TOTAL: [Discretionary]	14,765	13,000	14,582	1,582
<u>Allocation/Reimbursable/Other Programs:</u>				
<u>Reimbursable Programs:</u>				
Transportation Safety Institute	[20,000]	[20,000]	[20,000]	[0]
<u>STAFFING</u>				
Direct Positions	36	31	30	[-1]
Reimbursable Positions	[41]	[51]	[51]	[0]
Direct FTE	27	21	20	-1
Reimbursable FTE	[29]	[36]	[36]	[0]

The Assistant Secretary for Research and Technology is requesting \$14.582 million and an estimated 20 FTEs in FY 2016 to accomplish the mission outlined on the pages that follow.

What Is This Program And Why Is It Necessary?

The Office of the Assistant Secretary for Research and Technology (OST-R) coordinates research across the Department to maximize and leverage the taxpayer's \$1.2 billion annual investment in transportation research, development, and technology (R&T) activities; leads and administers multi-modal research and technology, and data and statistics programs for the Department; and oversees the work of related fee-for-service organizations. All OST-R elements support the Department's Strategic Goals of **Safety, State of Good Repair, Economic Competitiveness, Quality of Life in Communities, and Environmental Sustainability.**

The OST-R mission is necessary to provide leadership, program management and program support services that improve and sustain existing operations, coordination, and program performance in research, technology and statistics.

OST-R works across the Department and collaborates with partners from other federal agencies, state and local governments, universities, stakeholder organizations, transportation professionals, system operators and international partners. OST-R supports 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, identifying gaps in research, by topic and type, and executing multimodal research and technology transfer. 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;
- Provision of data from the Bureau of Transportation Statistics for analyses by policy and program offices in the Office of the Secretary and the operating administrations; and
- Coordination of Intelligent Transportation System Joint Program Office (ITS-JPO) with FAA (NEXTGEN), FRA (Positive Train Control) and MARAD (Wireless Waterways).

As part of the Office of the Secretary, OST-R takes direction from the Secretary and ensures that the Secretary's research and technology policies are being implemented across the Department. OST-R will remain focused on promoting innovation across the Department, identifying future technology challenges so that the Department can be more proactive in preparing for those challenges, and increasing research coordination and collaboration among the modal administrations. While OST-R does not have the personnel or bandwidth to influence every bit of research taking place across the Department, OST-R will focus on the highest priority research and technology goals for the Department as work plans are being developed to meet those goals.

Research and Technology (General Fund) program 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 also manages and provides direction to these critical Transportation Research Programs that are not funded by a direct appropriation to OST-R:

Bureau of Transportation Statistics (BTS) (Highway Trust Fund) is a designated Federal 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 and maintains a rigorous statistical analysis program in support of data-driven decision-making. The BTS program is funded through an allocation from the FHWA. 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 Reporting System Program.

University Transportation Centers (UTC) (Highway Trust Fund) Program advances U.S. technology and expertise in many transportation-related disciplines and advances Departmental priorities through baseline funding for multimodal university-based transportation education, research, and technology transfer. The UTC program awards grants to universities across the United States to advance the state-of-the-art in transportation research and develop the next generation of transportation professionals. The UTC program is funded through an allocation from the FHWA.

Intelligent Transportation Systems – Joint Program Office (ITS-JPO) (Highway Trust Fund) Research Program serves as U.S. DOT’s primary advocate and national leader for the ITS research focusing on intelligent vehicles, intelligent infrastructure and the creation of an intelligent transportation system through integration of information and communications technologies with modal transportation capabilities. The ITS program supports the overall advancement of ITS through investments in major research initiatives, exploratory studies, and a deployment support program including technology transfer and training. The ITS program provides research to support the Department’s recent decision to advance connected vehicles (vehicle-to-vehicle (V2V) and vehicle-to-infrastructure (V2I) communications.

Fee-For-Service Organizations

John A. Volpe National Transportation Systems Center (Volpe Center; Cambridge, MA) advances cross-modal technical, operational, institutional and managerial innovations to improve the nation’s transportation system. The Volpe Center has multidisciplinary expertise in all modes of transportation, and serves its sponsor agencies in USDOT, other federal agencies, and internationally with advanced technologies, research, and programs to ensure a fast, safe, efficient, accessible, and convenient transportation system. The Volpe Center operates on a cost-recovery (“fee-for-service”) basis.

Transportation Safety Institute (TSI; Oklahoma City, OK) provides transportation safety and security training to Federal, state and local government, private sector, and foreign transportation professionals on a cost-recovery (“fee-for-service”) basis.

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

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for FY 2015; (2) one additional compensable day; (3) 1.3 percent pay raise for FY 2016; (5) adjustments to the Federal Employees Retirement System (FERS); and (6) an increase of 1 percent for inflation.

The budget request also includes a redirection of resources related to the transition of the Research and Innovative Technology Administration (RITA) into the Office of the Secretary by the Consolidated Appropriations Act, 2014 (P.L. 113-76). Specifically, it reflects a reduction of \$1.694 million associated with the reassignment of 10 positions and FTEs to other OST Offices (Budget and Programs, Chief Information Officer and General Counsel).

In addition, the budget request includes the following programmatic increases and decreases unrelated to the transition of RITA to OST-R:

- A \$1.454 million increase to fund 9 overhead positions and FTEs in the Research and Technology (R&T) appropriation in order to reduce to 60 percent the share of the total OST-R overhead positions and FTEs funded from the Highway Trust Fund. This will increase by an equal amount of the funding that BTS has available to fund programmatic staff and contracts. Funding 40 percent of overhead positions and FTEs in the R&T appropriation and 60 percent from the Highway Trust Fund better aligns these overhead costs with R&T's and Bureau of Transportation Statistics' (BTS) respective percentages of total OST-R funding and programmatic staffing.
- A \$1.365 million increase for Working Capital Fund costs, a \$301 thousand increase for rent costs and a \$76 thousand increase for contractual services in order for the R&T appropriation to pay a more appropriate share of these total OST-R costs. BTS has been bearing a disproportionate share of these costs for OST-R, and this budget proposes a more equitable distribution of these charges between BTS and OST-R, allowing BTS to redirect funding from overhead to programmatic staff and contracts.

Salaries and Administrative Expenses: \$6.364 million

This funding will pay for OST-R's program staff and associated overhead staff to support OST-R's administrative infrastructure. Operating expenses include salaries and benefits (\$3.392 million), travel (\$90 thousand), GSA rent (\$633 thousand), printing (\$1 thousand), working capital fund (\$1.957 million), contract services (\$175 thousand), supplies (\$15 thousand), and equipment (\$100 thousand).

Research and Technology (R&T) Coordination: \$509,000

The requested funding will allow the R&T Coordination program to continue its main mission of research coordination – both internal and external to the USDOT— and technology transfer across all modes to the implementers of research outcomes. Coordination is accomplished through interaction with transportation system stakeholders to develop a national research agenda via workshops, conferences, and symposia both domestically and internationally; creation of synergistic research opportunities; and elimination of duplicative research efforts.

This program influences collaborative efforts between Operating Administrations, other Federal agencies and external parties, creating efficiencies between research programs, reducing redundant research, and ultimately saving taxpayer 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. The R&T Program supports the Department's Strategic Goals of **Safety, Economic Competitiveness, Quality of Life in Communities, and Environmental Sustainability.**

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 USDOT Research Hub (www.rita.dot.gov/researchhub) provides public, 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. Maintaining this database is essential for providing information to decision-makers, researchers and potential implementers. The funding will allow the program to add new information on "real world" research implementation, and upgrade the web interface to enhance ease of use and search capabilities. FY 2016 funding is 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 three years. A technology transfer specialist works with all modal administrations to help them understand the potential for commercialization of research outcomes. The R&T Coordination Program also manages intellectual property development with operating administrations in support of commercialization of new technologies.

Alternative Energy R&D Program: \$499,000

The funding request is required to facilitate cooperation and leverage research investment in alternative energy across the Department, to address the impacts of alternative energy on the transportation systems, and to advance their safe and efficient deployment. Funding allows OST-R to bring together intra-agency partners as well as external stakeholders, including 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 energy missions and objectives.

Key Actions and Anticipated Milestones:

- Conduct a competition to identify alternative energy projects that improve the transportation system's ability to support this emerging industry.
- 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 R&T Planning Council and Planning Team.
- Complete the Clean Transportation Sector Initiative (CTSI) interagency agreement with the Department of Energy.

The Alternative Energy R&D program helps 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 is used to advance the application of a safe and efficient distribution of alternative energy in a multimodal system, and to optimize the economic and environmental advantages of clean transportation fuels and their associated vehicles and infrastructure. This includes the need to transport newly developing feed stocks and fuels from source to user, as well as determining optimal delivery and usage of other energy sources, 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 the feed stocks used to create them. Standards, regulations, handling, deployment road mapping, and training information are desired research outcomes. Additionally, research leads to a better understanding of the best technical, economic, and societal changes needed to support a clean transportation sector.

Positioning, Navigation and Timing (PNT): \$1,610,000

The FY 2016 funding request of \$1.610 million equals the FY 2014 enacted and FY 2015 President's Budget funding levels. This funding will enable DOT to fulfill its mandate as the lead civil agency for PNT under the President's *National Space Policy* (2010). Plans and goals for FY2016 involve conducting testing and analysis to ensure protection of GPS from systems that may cause interference. DOT is implementing the GPS Adjacent Band Compatibility Assessment Plan to research the maximum aggregate power level that can operate in the radiofrequency bands adjacent to GPS without causing interference.

The requested funding addresses growing interference to GPS from other sources. The need for this effort is captured in a recent GAO report, *GPS Disruptions: Efforts to Assess Risks to Critical Infrastructure and Coordinate Agency Actions Should be Enhanced* (GAO-14-15), which highlighted lack of DOT PNT mission resources. The requested funding also supports ongoing evaluation of spectrum sharing technologies to determine whether use of Dedicated Short Range Communications (DSRC) for safety-critical connected vehicle (V2V and V2I) technology applications can co-exist with operation of wireless services. The final goal is to

increase oversight of civil funding and participation in GPS acquisition, development, operations, and modernization.

FY 2016 Program Activities:

PNT and Spectrum Policy Coordination

Continue to support DOT leadership in their roles on the Space-Based PNT Executive Committee and Executive Steering Groups. Develop and represent the DOT positions in spectrum proceedings involving other agencies such as NTIA and the FCC.

GPS Development, Acquisition Oversight, Management, and Operations

As the lead civil agency, DOT needs to ensure that Federal civil departments and agencies are adequately represented in the joint management of GPS with DoD to support current operations and future modernization of the system, and development of new capabilities.

GPS Spectrum Protection

Continue analysis and testing of GPS receivers as outlined in the DOT GPS Adjacent Band Compatibility Assessment Plan, with a focus on future GPS receivers utilizing modernized GPS and interoperable Global Navigation Satellite System (GNSS) signals. This assessment is in response to a proposed wireless broadband service in the radiofrequency band adjacent to GPS, which demonstrated widespread interference to GPS.

National PNT Architecture

Conduct and advance PNT research and development efforts as identified in the National PNT Architecture Implementation Plan. The National PNT Architecture Implementation Plan identifies over 40 tasks to be accomplished to overcome capability gaps predominantly resulting from the limitations of GPS. The limitations of GPS were captured in a recent GAO report on GPS disruptions which highlighted lack of DOT PNT resources.

Civil GPS Service Interface Committee (CGSIC)

OST-R will continue the work of the CGSIC, which is the recognized worldwide forum for effective interaction between all civil GPS users and the U.S. GPS authorities. The CGSIC ensures that the public is provided with the most recent GPS system status, and that users have an opportunity to raise any issues or concerns.

International Coordination

OST-R will continue to support international activities in FY2016 such as the Asia Pacific Economic Cooperation (APEC) Global Navigation Satellite System (GNSS) Implementation Team, which promotes use of GPS for seamless intermodal transportation; and the United Nations International Committee on GNSS to encourage international compatibility and interoperability of GNSS.

Nationwide Differential Global Positioning System (NDGPS): \$5,600,000

The requested funding level has been the amount necessary to support operations and maintenance (O&M) to maintain system reliability and availability commitments to the Federal,

state, and local transportation user communities. This funding would provide the resources necessary to continue to fund 100 percent of routine O&M needs. Every dollar is being utilized effectively to maintain and operate the system. The request will enable NDGPS to maintain system availability at the 29 inland segment sites at 98.5% or better; reduce risk of failure by maintaining inland segment stations to Coast Guard standards; plan for future capability (will be clarified once recommendation is finalized).

NDGPS augments GPS by providing increased accuracy and integrity. NDGPS 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 (Maritime (U.S. Coast Guard-funded); Inland (U.S. DOT-funded); and Inland waterway (U.S. Army Corps of Engineers-funded)) operated and maintained in a coordinated fashion by the U.S. Coast Guard. While DOT is requesting the same level of funding for NDGPS that has been requested in prior years, it is important to note that DOT is working with the National Space-Based PNT Executive Steering Group (ESG) to determine how Federal investments in navigation can meet the needs of users while ensuring scarce resources are targeted in an effective manner. A joint Department of Homeland Security and Department of Transportation Federal Register Notice (FRN) was published on April 13, 2013 to request public comments to determine how NDGPS and other technologies were being utilized to meet navigation needs. In addition, outreach to the user community was undertaken, including outreach to the Civil GPS Service Interface Committee (CGSIC), in an effort to gain the input of all interested parties. The results of this FRN are being evaluated by DOT and DHS, in conjunction with the ESG and these results will be used to inform future investment decisions.

Section 346 of Public Law 105-66 authorized the NDGPS program within the Office of the Secretary of Transportation. Although NDGPS is funded through the Office of the Assistant Secretary of Research and Technology, and is part of the PNT office, NDGPS is an operational nationwide positioning and navigation utility, not a research and technology program. NDGPS supports the **Safety and Environmental Sustainability Strategic Goals**. The program partners with 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.

Transportation Safety Institute (TSI): [\$20,000,000 million]

This program supports DOT's **Safety Strategic Goal** to reduce transportation-related deaths and injuries through quality instruction to those entrusted with safety enforcement and committed to safety compliance. 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.

TSI's training operations program is organized into five training divisions with expertise in specific transportation safety and security topics:

1. Aviation Safety specializes in safety management systems and aircraft accident investigation;
2. Transit Safety and Security specializes in development and delivery of safety and security training and education in safety management systems (SMS), system safety, collision investigation, crime prevention, and emergency management to approximately 10,000 annually public transit bus and rail industry and government transportation professionals;
3. Multimodal Safety provides a variety of transportation safety-related courses specializing in hazardous materials and motor carrier safety compliance for Federal, state, and private industry audiences. This division develops and delivers courses in the areas of explosives, infectious substances, packaging, cylinders, radioactive material, and commercial motor vehicle inspections;
4. Special Programs offers multiple services and products to meet changing customer demands to include customized solutions in courseware development, delivery, and program management; and
5. Traffic Safety is responsible for the training of Federal, state, and local highway safety professionals and law enforcement in the development, administration, and evaluation of highway traffic safety programs. Specifically, the courses are an integral component of NHTSA's core competencies for employee development in highway safety program development, data analysis and evaluation, managing NHTSA grant funds, occupant protection, impaired driving, and speed management.

What benefits will be provided to the American Public through this request?

The Office of the Assistant Secretary for Research and Technology's mission is 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. OST-R accomplishes this mission through collaboration across the Department and with partners from other federal agencies, state and local governments, universities, stakeholder organizations, transportation professionals, system operators and international partners. From conducting advanced research to providing funding to test and evaluate new approaches across the modes, OST-R enables and accelerates transportation innovation. The goal of this organization is to ensure decision-makers will have access to robust data and analysis, advanced research, and cutting-edge technologies.

OFFICE OF THE SECRETARY OF TRANSPORTATION
RESEARCH AND TECHNOLOGY

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$14,765	26
FY 2015 Enacted	\$13,000	21
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$9	
Annualization of New Positions Requested in FY 2015	\$0	
One Extra Compensable Day	\$14	
January 2016 Pay Raise	\$34	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$14	
Inflation	\$10	
FY 2016 Baseline Estimate	\$13,080	21
<u>FY 2016 Program Changes (+/-):</u>		
Request funding increase to support 9 overhead positions and FTEs in the Research and Technology appropriation. This represents 40% of the total OST-R overhead positions and FTEs. This share aligns the overhead cost with BTS and R&T (60/40) respective percentages of total OST-R funding and programmatic staffing.	\$1,454	9
Request funding increase for WCF costs for the R&T appropriation to pay a more appropriate share of the total OST-R costs. This will increase by an equal amount the funding that BTS will have available to fund programmatic staff and contracts.	\$1,365	
Request funding increase for rent costs for the R&T appropriation to pay a more appropriate share of the total OST-R costs. This will increase by an equal amount the funding that BTS will have available to fund programmatic staff and contracts.	\$301	
Request funding increase for contractual services for the R&T appropriation to pay a more appropriate share of the total OST-R costs. This will increase by an equal amount the funding that BTS will have available to fund programmatic staff and contracts.	\$76	
Subtotal of Program Changes:	\$3,196	9.0
<u>FY 2016 Redirection of Resources (+/-):</u>		
Redirection of 10 positions/FTEs to other OST offices, related to the transition of RITA to the Office of the Secretary.	-\$1,694	-10
Total, FY 2016 Request	\$14,582	20.0

Section 3 – FY 2016 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	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 REQUEST</u>
Obligations by program activity:			
0001 Salaries and administrative expenses	6,408	4,782	6,364
0002 Alternative fuels research & development	443	877	499
0003 Research development & technology coordination	659	1,282	509
0004 Nationwide differential global positioning system	2,112	9,088	5,600
0005 Positioning navigation & timing	1,604	1,616	1,610
0100 Direct Program by Activities - Subtotal	<u>11,225</u>	<u>17,645</u>	<u>14,582</u>
0799 Total direct obligations	<u>11,225</u>	<u>17,645</u>	<u>14,582</u>
0802 Transportation safety institute	7,843	24,816	20,000
0803 Other programs	<u>820</u>	<u>10,087</u>	<u>10,000</u>
0809 Reimbursable program activities, subtotal	<u>8,663</u>	<u>34,903</u>	<u>30,000</u>
0899 Total reimbursable obligations	<u>8,663</u>	<u>34,903</u>	<u>30,000</u>
0900 Total new obligations	19,888	52,548	44,582
Budgetary resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	8,043	9,548	-
1021 Recoveries of prior year unpaid obligations	<u>2,101</u>	<u>-</u>	<u>-</u>
1050 Unobligated balance (total)	<u>10,144</u>	<u>9,548</u>	<u>-</u>
Budget authority:			
Appropriations, discretionary:			
1100 Appropriation	<u>14,765</u>	<u>13,000</u>	<u>14,582</u>
1160 Appropriation, discretionary (total)	<u>14,765</u>	<u>13,000</u>	<u>14,582</u>
Spending authority from offsetting collections, discretionary:			
1700 Collected	10,967	30,000	30,000
1701 Change in uncollected payments, Federal sources	<u>(6,244)</u>	<u>-</u>	<u>-</u>
1750 Spending auth from offsetting collections, disc (total)	<u>4,723</u>	<u>30,000</u>	<u>30,000</u>
1900 Budget authority (total)	<u>19,488</u>	<u>43,000</u>	<u>44,582</u>
1910 Total budgetary resources available	29,631	52,548	44,582
Memorandum (non-add) entries:			
1940 Unobligated balance expiring	195	-	-
1941 Unexpired unobligated balance, end of year	9,548	-	-
Change in obligated balance:			
Obligated balance , start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1	36,941	24,680	10,683
3010 Obligations incurred, unexpired accounts	19,888	52,548	44,582
3011 Obligations incurred, expired accounts	648	-	-
3020 Outlays (gross)	(26,126)	(66,545)	(44,548)
3040 Recoveries of prior year unpaid obligations, unexpired	(2,101)	-	-
3041 Recoveries of prior year unpaid obligations, expired	<u>(4,569)</u>	<u>-</u>	<u>-</u>
Obligated balance, end of year (net):			
3050 Unpaid obligations, end of year (gross)	<u>24,680</u>	<u>10,683</u>	<u>10,717</u>
Uncollected payments:			
3060 Uncollected pymts, Fed sources, brought forward, Oct 1	(16,619)	(6,913)	(6,913)
3070 Change in uncollected pymts, Fed Sources, unexpired	6,244	-	-
3071 Change in uncollected pymts, Fed Sources, expired	<u>3,461</u>	<u>-</u>	<u>-</u>
3090 Uncollected pymts, Fed sources, end of year	<u>(6,913)</u>	<u>(6,913)</u>	<u>(6,913)</u>
Memorandum (non-add) entries:			
3100 Obligated balance, start of year (net)	20,322	17,766	3,769
3200 Obligated balance, end of year (net)	17,766	3,769	3,804
Budget authority and outlays, net:			
Discretionary:			
4000 Budget authority, gross	19,488	43,000	44,582
Outlays, gross:			
4010 Outlays from new discretionary authority	15,021	41,700	43,124
4011 Outlays from discretionary balances	<u>11,106</u>	<u>24,845</u>	<u>1,424</u>
4020 Outlays, gross (total)	<u>26,126</u>	<u>66,545</u>	<u>44,548</u>
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4030 Federal sources	(9,541)	(30,000)	(30,000)
4033 Non-Federal sources	<u>(1,674)</u>	<u>-</u>	<u>-</u>
4040 Offsets against gross budget authority and outlays (total):	<u>(11,215)</u>	<u>(30,000)</u>	<u>(30,000)</u>
Additional offsets against gross budget authority only:			
4050 Change in uncollected pymts, Fed sources, unexpired	<u>6,244</u>	<u>-</u>	<u>-</u>
4060 Additional offsets against budget authority only (total)	<u>6,244</u>	<u>-</u>	<u>-</u>
4070 Budget authority, net (discretionary)	14,517	13,000	14,582
4080 Outlays, net (discretionary)	<u>14,911</u>	<u>36,545</u>	<u>14,548</u>
4180 Budget authority, net (total)	14,765	13,000	14,582
4190 Outlays, net (total)	14,911	36,545	14,548

**RESEARCH AND TECHNOLOGY
OBJECT CLASSIFICATION
(In thousands of dollars)**

	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>
	<u>ACTUAL</u>	<u>ENACTED</u>	<u>REQUEST</u>
<u>Direct Obligations:</u>			
Personnel compensation:			
1111 Personnel compensation, full-time permanent	2,956	2,528	2,327
1113 Other than full-time permanent	156	170	172
1115 Other personnel compensation	<u>71</u>	<u>60</u>	<u>61</u>
Total personnel compensation	3,183	2,758	2,560
1121 Civilian personnel benefits	974	804	832
1210 Travel and transportation of persons	75	90	90
1220 Transportation of things	0	0	0
1231 Rent to GSA	717	329	633
1240 Printing and reproduction	3	1	1
1250 Other services	6,210	8,903	10,351
1260 Office supplies	8	15	15
1310 Equipment	50	100	100
1420 Claims	<u>5</u>	<u>0</u>	<u>0</u>
1990 Subtotal, direct obligations	11,225	13,000	14,582
2990 Reimbursable obligations	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>
9999 Total obligations	41,225	43,000	44,582
Employment Summary:			
Direct:			
1001 Civilian Full-time Equivalent Employment	27	21	20
Reimbursable:			
2001 Civilian Full-time Equivalent Employment	40	50	50
Allocation account:			
3001 Civilian Full-time Equivalent Employment	61	75	75

Detailed Justification for the University Transportation Centers Program
What Is The Request And What Funds Are Currently Spent on the Program?

FY 2016 - Competitive University Transportation Centers Program
(\$000)

	FY 2014	FY 2015	FY 2016	Difference
	ACTUAL	ENACTED	REQUEST	from FY 2015
				Enacted Budget
Personnel Compensation and Benefits	[132]	[845]	[898]	[53]
Travel	[150]	[100]	[100]	[0]
Other Costs	[920]	[920]	[929]	[9]
Competitive UTC Consortia	[67,456]	[66,213]	[80,073]	[13,860]
TOTAL	[68,658]	[68,078]	[82,000]	[13,922]

STAFFING

Allocation Positions	[1]	[5]	[5]	[0]
Allocation FTE	[1]	[5]	[5]	[0]

What Is This Program and Why Is It Necessary?

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 base outside of the U.S. DOT and addresses critical workforce needs for the next generation of transportation professionals across all modes. UTCs are selected based on a rigorous competition which includes education and research activities to address DOT’s **Strategic Goals – Safety, State of Good Repair, Economic Competitiveness, Quality of Life in Communities, and Environmental Sustainability.**

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, OST-R supports and strengthens our nation’s transportation intellectual and academic capital that is of vital importance to innovation and the Nation’s 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.

Key Actions and Anticipated Milestones:

- Award and administer grants to competitively-selected University Transportation Centers.
- 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 of technical seminars and workshops.
- Development of new/improved guidelines on planning, operations, design or maintenance issues.
- Training of highly qualified university graduates specializing in the transportation sector.
- Development of new technologies for application to transportation systems.

Key Outcomes Expected:

- Reduced transportation congestion.
- More efficient transportation systems.
- Safer transportation systems.
- Enhanced transportation systems.
- More productive transportation systems.
- Better trained transportation workforce.

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

The Administration’s GROW AMERICA proposal includes \$82 million in FY 2016 for UTCs. 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. By funding the UTC Program at the proposed level, OST-R could make an investment commensurate with the workforce needs and innovation challenges of the Nation’s transportation industry.

The UTC program is defined in statute. The Moving Ahead for Progress in the 21st 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. 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.

As directed by MAP-21, a competition was held in FY 2013 to select a new cadre of UTCs. These Centers received FY 13 and FY 14 funds, based on availability. These Centers will also receive FY15 and FY16 funds, depending on funding availability through the extension of MAP-21 or as directed through new surface transportation authorization legislation.

Although every UTC has the same broad objectives, the Department continues to encourage diversity in the program participants and in the approaches individual Centers take to achieve the program objectives. The Department encourages 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 encourages 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 ensure that transportation research and workforce needs are met, programmatic targets are realized, and funds are effectively invested. Grant reporting requirements include explicit details of research results.

The UTC consortia 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 are 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 FHWA. The cost of coordinating, overseeing and managing the UTC program are funded from an administrative set-aside of UTC funding, which the Administration's GROW AMERICA legislation proposes to cap at up to 2.5 percent.

What benefits will be provided to the American Public through this request?

Funding the UTC program will result in a safer, more technologically advanced surface transportation system. The research conducted by these Centers will ultimately save lives and reduce injuries. The monetary savings to the public comes through the increased safety of the system, but it also comes through reduced congestion, more resilient infrastructure, and cleaner communities with increased access to multiple modes of transportation.

This program prepares the next generation of transportation experts to deal with not only the problems of today, but the advanced technologies of tomorrow, replacing an aging workforce that is not as well-versed in the new technologies that can be applied to transportation.

What Is The Request And What Funds Are Currently Spent on the Program?**FY 2016 - Volpe Center
(\$000)**

	FY 2014	FY 2015	FY 2016	Difference
	<u>ACTUAL</u>	<u>ENACTED</u>	<u>REQUEST</u>	<u>from FY 2015</u>
				<u>Enacted Budget</u>
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]
TOTAL	[260,000]	[260,000]	[260,000]	[0]

STAFFING

Direct Positions	[0]	[0]	[0]	[0]
Reimbursable Positions	[550]	[550]	[550]	[0]
Direct FTE	[0]	[0]	[0]	[0]
Reimbursable FTE	[548]	[532]	[532]	[0]

What Is This Program and Why is it 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 whom 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.

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 Need To Fund The Program At The Requested Level?

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 and/or reimbursable agreements.

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.

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 the Operating Administrations across the Department. Volpe supports its sponsors in important efforts such as NextGen (FAA), assessing costs and benefits of new pilot training rules (FAA), providing project management and systems engineering expertise for air traffic facilities replacement (FAA), providing High Speed Rail project oversight (FRA), supporting the Strategic Highway Research Program (SHRP2) (FHWA), developing CAFÉ Standards (NHTSA), building scientific foundations for risk assessment and failure analysis of electronic control systems (NHTSA), supporting track and equipment safety research (FRA), developing policy options for the Connected Vehicle program (NHTSA/ITS JPO), improving navigation systems (SLSDC), and directing U.S. DOT's Small Business Innovation Research Program (OST/OSDBU).

What benefits will be provided to the American Public through this request?

Volpe is home to renowned multidisciplinary experts in all modes of transportation. Volpe serves its sponsor agencies with advanced technologies, research, and programs to ensure a safe, efficient, accessible, and convenient transportation system that meets vital national and international interests and enhances the quality of life for the traveling public, today and into the future.

The Volpe Center's research, technical, and program professionals help sponsors thrive by applying best practices culled from more than 40 years of solving problems for multiple modes. Volpe also undertakes new research to address emerging issues and advance innovation in transportation. Our multimodal experience enables us to consider unique approaches and champion ideas that make our sponsors' processes more efficient, their work more effective, and their solutions more fully realized.

As a vital partner and objective advisor to transportation agencies, Volpe serves as an integral collaborator that can function as an extension of staff, internalizing sponsor goals and objectives. Volpe is fully fluent in operations, practices and protocols, and serves agency and public interest with a highly educated and creative staff. Guided by a deep understanding of Federal practices, Volpe delivers innovative solutions in infrastructure, advanced transportation systems, and technologies to support the global transportation mission.

**DEPARTMENT OF TRANSPORTATION
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY
WORKING CAPITAL FUND
VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER**

Object Classification (in thousands of dollars)

Identification code 69-4522-0-4-407

Reimbursable Obligations

Obj Code	Item	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request
Personnel compensation				
2 111	Full-time permanent	52,197	52,000	52,000
2 113	Other than full-time permanent	5,143	3,000	3,000
2 115	Other personnel compensation	986	1,000	1,000
2 119	Total personnel compensation	58,326	56,000	56,000
2 121	Civilian personnel benefits	17,328	14,000	14,000
2 130	Benefits for former personnel	84	0	0
2 210	Travel & transportation of persons	3,519	4,000	4,000
2 220	Transportation of things	136	0	0
2 233	Commun, utilities & misc. charges	2,864	6,000	6,000
2 240	Printing and reproduction	37	0	0
2 251	Advisory and assistance services	242	0	0
2 252	Other services	23,780	63,000	63,000
2 253	Purch of G&S from Govt accounts	-82	1,000	1,000
2 254	O&M of facilities	4,208	5,000	5,000
2 255	R&D Contracts	202,330	98,000	98,000
2 257	O&M of equipment	148	1,000	1,000
2 260	Supplies and materials	967	1,000	1,000
2 310	Equipment	14,990	8,000	8,000
2 320	Land and structures	1,320	3,000	3,000
2 999	Total new obligations	330,196	260,000	260,000

EMPLOYMENT SUMMARY

Reimbursable:

2 001	Civilian full-time equivalent employment	548	532	532
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DEPARTMENT OF TRANSPORTATION
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY
WORKING CAPITAL FUND,
VOLPE NATIONAL TRANSPORTATION SYSTEMS CENTER
PROGRAM AND FINANCING (in thousands of dollars)

Identification code 69-4522-0-4-407

<u>Line No</u>		<u>FY 2014</u> <u>ACTUAL</u>	<u>FY 2015</u> <u>ENACTED</u>	<u>FY 2016</u> <u>ESTIMATE</u>
Budgetary Resources				
1000	Unobligated balance brought forward, October 1	286,368	282,757	282,757
1050	Total Unobligated balance	286,368	282,757	282,757
Budget Authority				
1700	Collected	313,918	260,000	260,000
1701	Change in uncollected payments, fed sources	12,667		
1750	Spending authority from offsetting collections	326,585	260,000	260,000
1750-63	End of PY Balances		154,053	
1930	Total budgetary resources available	612,953	542,757	542,757
0900	Total new obligations	330,196	260,000	260,000
1941	Unexpired unobligated balance, end of year	282,757	282,757	282,757
Change in Obligated Balance				
3000	Unpaid obligations brought forward	145,285	154,053	-
3010	Obligations incurred, unexpired accounts	330,196	260,000	260,000
3020	Outlays (gross)	(321,428)	(414,053)	(414,053)
3050	Unpaid obligations end of year (gross)	154,053	-	-
3060	Uncollected payments, fed sources, brought forward	(85,685)	(98,352)	(98,352)
3070	Change in uncollected payments, fed sources, unexpired	(12,667)		-
3090	Unpaid obligations end of year (gross)	(98,352)	(98,352)	(98,352)
3100	Obligation balance, start of year	59,600	55,701	(98,352)
3200	Obligation balance, end of year	55,701	(98,352)	(98,352)
Budget Authority and Outlays				
4000	Budget Authority (gross)	326,585	260,000	260,000
4010	Outlays from discretionary authority	213,174	260,000	260,000
4011	Outlays from discretionary balances	108,254	154,053	-
4020	Outlays, gross (total)	321,428	414,053	260,000
4030	Offsetting collections from federal sources	(307,457)	(260,000)	(260,000)
4034	Offsetting collections from non-federal sources	(7,461)	-	
4040	Offsets against gross budget authority and outlays	(314,918)	(260,000)	(260,000)
4050	Change in uncollected payments, fed sources, unexpired	(12,667)	-	-
4060	Additional offsets against budget authority only (total)	(12,667)	-	-
4070	Budget authority, net (discretionary)	(1,000)	-	-
4080	Outlays, net (discretionary)	6,510	154,053	-
4180	Budget authority, net (total)	(1,000)	-	-
4190	Outlays, net (total)	6,510	154,053	-

Detailed Justification for the Intelligent Transportation Systems (ITS)**What Is The Request And What Funds Are Currently Spent on the Program?****FY 2016 - Intelligent Transportation Systems**

(\$000)

	FY 2014	FY 2015	FY 2016	Difference from FY 2015
	ACTUAL	ENACTED	REQUEST	Enacted Budget
Personnel Compensation and Benefits	[0]	[0]	[0]	[0]
Travel	[0]	[0]	[0]	[0]
Research	[74,440]	[70,490]	[133,540]	[63,050]
Technology Transfer and Evaluation	[15,460]	[18,410]	[18,460]	[50]
ITS Program Support	[5,000]	[5,000]	[6,000]	[1,000]
TOTAL¹	[94,900]	[93,900]	[158,000]	[64,100]

STAFFING

Direct Positions	[17]	[17]	[17]	[0]
Reimbursable Positions	[0]	[0]	[0]	[0]
Direct FTE	[17]	[17]	[17]	[0]
Reimbursable FTE	[0]	[0]	[0]	[0]

¹Resources are shown as non-adds because funding resides in the FHWA budget.

What Is This Program and Why is it Necessary?

The ITS Research program consists of a multimodal, short-term intermodal, and exploratory research program administered as a collaborative partnership between the program and DOT modal administrations. The ITS Strategic Plan: 2015 - 2019 lays out the overall goal areas and highlights the Departmental ITS research priorities. The purpose of the ITS program is to fulfill the research role outlined by Congress and to support DOT's **Strategic Goals - Safety, State of Good Repair, Environmental Sustainability, Livable Communities and Economic Competitiveness**. 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. The ITS program jointly conducts research with all of the Departmental modal partners, which are responsible for implementing the research results.

Without Federal research investment and Federal leadership, vehicle-to-vehicle (V2V) and vehicle-to-infrastructure (V2I) 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 supplier 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 advanced ITS technologies.

Building on the success of the NHTSA 2014 light vehicle decisions and the planned FHWA 2015 Infrastructure guidance, continued federal leadership is necessary to support the demonstration, testing, and adoption of connected automation research technologies. Real world lessons learned from the Connected Vehicle Pilots will set the foundation for state and local agencies to implement connected vehicle systems. Finally, increased investments in research on automated vehicle technologies will enable fuller safety analysis and testing to accelerate the safe deployment of these potentially game-changing technologies, which hold the potential once fully developed to save tens of thousands of lives through a dramatic reduction in crashes and fatalities.

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. In the case of automated vehicles, Federal research is needed to better anticipate the impacts on public roadways and to reduce the uncertainty facing vehicle developers that otherwise may delay the deployment of these technologies.

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 harm the domestic industries that manufacture ITS technology.

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).
- Execute an early implementation Connected Vehicle Pilot program that develops, tests, and supports 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 required rulemakings related to the 2014 NHTSA Agency decision on vehicle-to-vehicle communications safety technology for heavy trucks.
- Conduct the necessary research to facilitate the deployment of connected vehicle infrastructure that utilizes the 2015 FHWA infrastructure guidance for state and local agencies on connected vehicle systems.
- Continue the execution of ITS Deployment incentives through existing deployment activities carried-out by surface transportation modal administrations.
- Implement research priorities identified in the Department's automated vehicle multimodal research plan.
- Intensify research into supportive safety and development paradigms for automated vehicles, including the launch of a Self-Driving Vehicle Pilot Innovation Challenge Competition to advance the development of new safety paradigms for the introduction of automated vehicle technologies onto public roadways.
- Design and select commercial and state and local government partners for the Commercial Motor Vehicle Platoon Pilot demonstration of the efficiency and safety benefits of automated and connected commercial motor vehicle technologies.
- Issue a request for partners to participate in an Automated Corridor Pilot to develop and test how the safe introduction of automated vehicle technologies could be accelerated through dedicated lanes.
- Implement research stemming from the development of the Department's 2015 to 2019 ITS Strategic Plan. This ITS Strategic Plan cycle emphasizes Vehicle-to-Vehicle and Vehicle-to-Infrastructure deployment readiness and the evolution of a multimodal vehicle automation research program.

FY 2015 Anticipated 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 completed the major research, testing, and data collection to support the NHTSA Agency decision on vehicle-to-vehicle communications safety technology for heavy trucks and to support any needed rulemaking activities for heavy trucks.

Vehicle-to-vehicle and vehicle-to-infrastructure communications technical standards have been developed and updated. Vehicle-to-vehicle communications and vehicle-to-infrastructure communications test bed in the Detroit, MI area will be updated to support the connected vehicle deployment trials by providing trained support personnel, equipment that can be used for design confirmation trials before full-scale purchases, and back office services such as security credential management and certain data transport.

A 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.

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

The proposed funding level in the FY 2016 surface reauthorization is \$158 million in program funds and staffing of 17 FTE, which is an increase of \$64.1 million. The Intelligent Transportation Systems (ITS) Program is authorized by MAP-21 to execute the scope of research outlined in the ITS Strategic Research Plan. 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 through acceleration of testing and research on the safe introduction of automated vehicle technology systems.

The budget request is necessary to implement results from the NHTSA vehicle-to-vehicle rulemaking for light vehicles, the decision for heavy trucks, and for the future development of this potentially game-changing safety technology for transit vehicles, motorcycles, pedestrians and bicycles. 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 meet 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. These research deployments will help travelers, businesses, local transportation agencies, and communities that rely on safe and efficient transportation.

What benefits will be provided to the American Public through this request?

Connected vehicles and connected infrastructure will be enabled to address up to 80% of the crash scenarios to dramatically reduce the number of fatalities that occur in the United States each year. Automated vehicles have the potential to bring about transformative safety, mobility, energy, and environmental benefits to our nation's surface transportation system. These benefits include crash avoidance, reduced energy consumption and vehicle emissions, reduced travel times, improved travel time reliability and multi-modal connectivity, and improved transportation system efficiency and accessibility, particularly for the disabled and aging population. The pace of research, development, and commercialization of automation technologies has increased rapidly in recent years. While the combination of an engaged, alert driver assisted by automation

technologies will provide the safest driving profile for the next decade or longer, research into the development of fully self-driving vehicles is underway.

Having the ability to accelerate automation research will enable the earlier commercial scale production of affordable automated vehicle fleets that meet all federal safety and performance standards for use by the general population on public roads. Achieving this outcome would position the US as a global leader in automated vehicle technology and innovation.

Detailed Justification for the Bureau of Transportation Statistics
What Is The Request And What Funds Are Currently Spent on the Program?
FY 2016 - Bureau of Transportation Statistics (Highway Trust Fund) Account
(\$000)

	FY 2014	FY 2015	FY 2016	Difference
	MAP-21	ENACTED	REQUEST	from FY 2015
				Enacted Budget
Personnel Compensation and Benefits	[12,336]	[11,888]	[12,115]	[227]
Travel	[130]	[130]	[130]	[0]
Other Costs	[8,453]	[8,901]	[8,674]	[-227]
Programs	[5,081]	[5,081]	[8,081]	[3,000]
TOTAL¹	[26,000]	[26,000]	[29,000]	[3,000]

Allocation/Reimbursable/Other Programs:

Reimbursable Programs:

Airline Transportation Statistics	[4,000]	[5,000]	[4,000]	[1,000]
Close Call Program	[2,500]	[2,500]	[2,500]	[0]
	[6,500]	[7,500]	[6,500]	[1,000]

STAFFING

Allocation Positions	[117]	[117]	[117]	[0]
Reimbursable Positions	[19]	[19]	[19]	[0]
Allocation FTE	[60]	[70]	[70]	[0]
Reimbursable FTE	[11]	[14]	[14]	[0]

¹Resources are shown as non-adds because the Bureau of Transportation Statistics is an allocation account under the Federal-aid Highways program.

The Bureau of Transportation Statistics (BTS) (Highway Trust Fund) account request is \$29 million, an increase of \$3 million over the FY 2015 President's Request.

The FY 2016 budget request includes baseline changes from FY 2015 for the following items: (1) annualization of the 1 percent pay raise for FY 2015; (2) one additional compensable day; (3) 1.3 percent pay raise for FY 2016; (5) adjustments to the Federal Employees Retirement System (FERS); and (6) an increase of 1 percent for inflation.

In addition, the budget request includes the following programmatic increases and decreases unrelated to the transition of RITA to OST-R. The base funding provides for the pay raise, inflation, and other associated operating expenses and contract services. Operating expenses

include salaries and benefits (\$12.1 million), Working Capital Fund (\$2.9 million), GSA rent (\$2 million), travel (\$130 thousand), printing (\$5 thousand), supplies (\$20 thousand), equipment (\$1.6 million), and other contract services (\$2 million).

This request provides \$29 million for salaries and program management and program support administrative expenses. The OST-R General Fund account has requested funding to support 9 Administrative staff from the Highway Trust Fund account. This transfer of staff would allow the BTS program to reallocate the funding to support staffing and contracts to perform statistical program requirements. Funding would also be reallocated to support the National Long Distance Travel Data Program based on pilot studies conducted under the Travel Data Initiative and to implement the Administrative Records Research Initiative directed by OMB. These programs will provide essential information for safety risk analysis, transportation system performance measures, and the development of investment strategies.

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 necessary program management and program support administrative expenses.

Bureau of Transportation Statistics (BTS) (Highway Trust Fund) account request is \$29 million, an increase of \$3 million over the FY 2015 President's Request. \$8 million of this request will fund existing mission services and establish the Travel Data Initiative. The Travel Data Initiative will expand the existing BTS Travel Data Program by addressing the most critical gaps in our knowledge and understanding of passenger travel, vehicle fleets including the flow of freight.

The total FY 2016 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 BTS program is funded by an allocation from the Federal Highway Administration. BTS supports all of DOT's **Strategic Goals - Safety, State of Good Repair, Economic Competitiveness, Quality of Life in Communities, and Environmental Sustainability**.

What Is This Program and Why is it Necessary?

The Bureau of Transportation Statistics (BTS) is a designated Federal 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 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 Confidential Close Calls Data Program. This proposal continues the core program that has grown in scope through five authorizations. Funding of the core program did not grow with changes in scope until FY 2015, when funding was increased to establish new data collections for intercity travel. This proposal requests an increase in funds consistent with the authorized level that accounts for cost increases in implementation of the intercity travel data program.

The Bureau's core program as defined in the Moving Ahead for Progress in the 21st Century Act (MAP-21) (incorporated at 49 USC Chapter 63) includes the following 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.
6. The additional \$3 million for the Travel Data Initiative is needed to provide basic information on intercity movement for the Intermodal Transportation Database and support basic performance statistics. The initiative includes work to restore the Vehicle and Use Survey and to estimate intercity travel through "Big Data" analytical methods and administrative records.

FY 2015 Anticipated Accomplishments:

- Establish new data collection that relates vehicle use to economic activity served, energy consumed, and air quality.
- Publish all public data products from the Commodity Flow Survey and establish the National Commodity Origin-Destination Account.
- Support intra-agency requests, such as review of statistical methods in rulemaking processes to ensure that rulemakings are based on sound data.

- Conduct statistical data quality reviews of data compilations and products.
- Provide statistical support for DOT's *Performance and Accountability Report*.
- Produce and publish the annual *Transportation Statistics Annual Report*.
- Update all major BTS products disseminated through the web by the National Transportation Library.
- Produce bi-monthly web-only update of the Multimodal Transportation Indicators.
- Produce relevant and timely focused analytical and technical reports on transportation and statistics-related issues and data.

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.

Administrative Records Research and Implementation: In February 2014, the Office of Management and Budget issued Memorandum M-14-06, "Guidance for Providing and Using Administrative Data for Statistical Purposes." During the initial phases, BTS staff will continue to serve in a coordinating role with other DOT administrations and agencies to identify and assess the feasibility of using administrative datasets to meet statistical needs. In addition, BTS will continue efforts to address the special challenges related to the use of administrative records, such as data incompatibility, data quality, confidentiality protections, privacy concerns, and business proprietary data. Funding to support this initiative will be used on a wide range of efforts to design and support the use of administrative records for statistical purposes, including the development of:

- appropriate data sharing agreements with data "owners";
- data models to standardize jurisdiction-specific data files (e.g., files from individual states or local agencies);
- transportation data stewardship guidelines;
- a framework to ensure quality and compatibility of administrative data; and
- the statistical infrastructure to support continuous data collection, quality assurance, data integration, and statistical analysis.

BTS has identified two high priority research projects to initiate during this phase: (1) feasibility study for obtaining vehicle registration data from state motor vehicle agencies, and (2) development of sample frames from administrative sources. Other DOT agencies have also identified a consolidated state vehicle registration database as a high priority data asset and cited many potential statistical uses: to track the life cycle of a commercial motor vehicle; to analyze how widespread safety technology is used among the nation's fleets; to calculate the fatality and crash rates for the annual highway safety assessment; to support safety research projects; to estimate the crash involvement risk for comparing the subject vehicles that are under defect investigation; to use as sampling frame for motor vehicle studies; and to publish vehicle age distribution by vehicle types to more precisely estimate fuel economy statistics. For the second research project, BTS will explore obtaining administrative records consisting of addresses and

businesses to construct sample frames for use in its survey programs. High priority sources identified as part of this effort is included in the United States Postal Service (USPS) Delivery Sequence File (DSF) and selected data from Internal Revenue Service (IRS) Federal tax information for businesses.

What benefits will be provided to the American Public through this request?

The BTS programs provide an information base to support informed decision making at all levels of government in the United States. Increased data is made available to the public for its use in commerce, research and individual decision-making.

Success in the Confidential Close Calls Data Program is indicated by improved workplace safety through the implementation of safety management systems and protocols, measured through the reduction of serious close call events and by the number of insights on potential safety problems that can be generalized from the program's participants to the broader transportation community; as well as through continued program sponsorship. The program enables the identification and analysis of systematic safety problems and provides participating agencies with information to guide proactive countermeasures that reduce events that could result in the damage or destruction of property and serious injury and death. The program enables BTS to incorporate lessons from the participating agencies into a broader assessment of safety throughout the transportation system, published in the Bureau's *Transportation Statistics Annual Report*.

OFFICE OF THE SECRETARY OF TRANSPORTATION

BUREAU OF TRANSPORTATION STATISTICS

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$26,000	70
FY 2015 Enacted	\$26,000	70
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$30	
Annualization of New Positions Requested in FY 2015	\$0	
One Extra Compensable Day	\$45	
January 2016 Pay Raise	\$112	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$40	
Inflation	\$69	
FY 2016 Baseline Estimate	\$26,296	70
<u>FY 2016 Program Changes (+/-):</u>		
Redirection reductions	-\$296	
Request funding increase to establish Travel Data Initiative to address the most critical gaps understanding passenger travel and vehicle fleets.	\$3,000	
Subtotal of Program Changes:	\$2,704	-
Total, FY 2016 Request	\$29,000	70

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)

		FY 2014	FY 2015	FY 2016
		<u>ACTUAL</u>	<u>ENACTED</u>	<u>REQUEST</u>
<u>Direct Obligations:</u>				
Personnel compensation:				
1111	Full-time permanent	7,265	9,067	9,250
1113	Other personnel compensation	139	160	162
1115	Other personnel compensation	<u>76</u>	<u>165</u>	<u>169</u>
1119	Total Personnel Compensation	7,481	9,393	9,582
1121	Civilian Personnel benefits	2,223	2,495	2,535
1210	Travel and Transportation of persons	57	130	130
1220	Transportation of Things	0	0	0
1231	Rent to GSA	2,188	2,018	2,018
1240	Printing & Production	3	5	5
1250	Other Services	10,726	11,181	13,105
1260	Office Supplies	12	20	20
1310	Equipment	19	758	1,605
1420	Claims	<u>0</u>	<u>0</u>	<u>0</u>
1990	Subtotal, direct obligations	22,710	26,000	29,000
1990	Reimbursable obligations	<u>5,458</u>	<u>15,000</u>	<u>15,000</u>
1990	Total obligations	28,168	41,000	44,000

Personnel Summary:

Reimbursable:				
2001	Civilian Full-time Equivalent Employment	11	14	14
Direct:				
3001	Civilian Full-time Equivalent Employment	60	70	70

OFFICE OF THE SECRETARY OF TRANSPORTATION

SAFE TRANSPORTATION OF ENERGY PRODUCTS

What Is The Request and What Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$0	\$0	\$0	\$0
Travel	\$0	\$0	\$0	\$0
Other Costs	\$0	\$0	\$5,000	\$5,000
TOTAL	<u>\$0</u>	<u>\$0</u>	<u>\$5,000</u>	<u>\$5,000</u>

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 \$5 million in FY 2016 for the Safe Transportation of Energy Products to accomplish the mission outlined on the pages that follow.

Detailed Justification for the Safe Transportation of Energy Products

What Is This Program/Activity and Why is it necessary?

Overview:

The number of shipments of crude oil and other energy products across the country are multiplying, particularly as domestic production of these products continues to increase. 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 crude oil production in the United States. Once these products are extracted from the ground, they must be shipped to refineries by truck and rail.

Ensuring the safe shipment of these hazardous materials is the responsibility of the Pipeline and Hazardous Materials Safety Administration (PHMSA), the Federal Railroad Administration (FRA), and the Federal Motor Carrier Safety Administration (FMCSA). The coordination and collaboration needed to ensure a well-coordinated multi-modal effort is the responsibility of the Office of the Secretary (OST). 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. OST simultaneously helps ensure that PHMSA, FMCSA and FRA are sharing best practices, providing consistent strategic direction across the country, keeping each other informed of the latest developments, and are coordinating safety practices throughout the transportation process. OST also guides the development and completion of a strong regulatory program to respond to risks associated with the safe transportation of energy products.

FY 2015 Anticipated Accomplishments

This request will fund a new activity requested in the FY 2016 President's Budget.

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

To address safety concerns emerging from the nation's growing domestic energy products, the requested funds will be used to provide oversight and coordination of multi-modal prevention and response activities associated with the safe transportation of energy products. In the event of a future incident, these funds may also be immediately available to identify gaps in the existing safety protocols so that corrections can be made and prevention activities strengthened. The need for a well-coordinated and seamless transportation process is especially important given that the U.S. is now the global leader in crude oil production capacity growth. This trend is expected to continue in the future.

What benefits will be Provided to the American Public through this request?

As the transportation of domestically produced energy products continues to expand throughout America, there is a need for well-coordinated and transparent transportation safety measures. The requested resources will help ensure that the Secretary of Transportation can respond quickly and effectively to any incidences involving the safe transportation of energy products so that appropriate safety issues are documented, analyzed, and addressed; and, to ensure safety protocols are strengthened to prevent any future occurrences.

Funds would be used for:

- **Data Driven Safety Interventions** – to include the collection and analysis of transportation data on incident, injury, and fatality risks for bulk shipment of hazardous materials 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 energy products. This data will be used to define the scope of the problem and to inform efforts/target funding toward most effective safety interventions.
- **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, and more effective rail operations. **Economic Analysis** – to identify and evaluate costs associated with system-wide risks of bulk shipments by rail.

OFFICE OF THE SECRETARY OF TRANSPORTATION

SAFE TRANSPORTATION OF ENERGY PRODUCTS

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$0	0
FY 2015 Enacted	\$0	0
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$0	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$0	
January 2016 Pay Raise	\$0	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	\$0	
FERS and FEHB Increases	\$0	
Inflation	\$0	
FY 2016 Baseline Estimate	\$0	0
<u>FY 2016 Program Changes (+/-):</u>	<u>\$5,000</u>	<u>0</u>
To facilitate the safe transportation of domestic energy products, particularly crude oil.		
Total, FY 2016 Request	\$5,000	0

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
SAFE TRANSPORTATION OF ENERGY PRODUCTS

PROGRAM AND FINANCING
(In thousands of dollars)

Identification code 69-1772	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
Obligations by program activity:			
0.01 Safe Transportation of Energy Resources	0	0	5,000
0.91 Direct program activities, subtotal	0	0	5,000
8.01 Reimbursable program	0	0	0
9.00 Total new obligations	0	0	5,000
Budgetary Resources:			
10.00 Unobligated balance brought forward, Oct 1	0	0	0
10.50 Unobligated balance (total)	0	0	0
Budget Authority: appropriations, discretionary			
11.00 Appropriation	0	0	5,000
11.30 Appropriations permanently reduced (disc)	0	0	0
11.60 Appropriations, discretionary (Total)	0	0	5,000
Spending authority from offsetting collections, discretionary:			
17.50 Total Spending authority	0	0	0
19.00 Budget Authority (Total)	0	0	5,000
19.30 Total Budgetary Resources Available	0	0	5,000
Memorandum (non-add) entries:			
19.40 Unobligated Balance Expiring	0	0	0
19.41 Unexpired unobligated balance, end of year	0	0	0
Change in obligated balance:			
30.00 Unpaid obligations, brought forward, Oct 1 (gross)	0	0	0
30.10 Obligations incurred, unexpired accounts	0	0	5,000
30.11 Obligations incurred, expired accounts	0	0	0
30.20 Obligated balance, Outlays (gross)	0	0	-3,000
30.50 Unpaid obligations, end of year	0	0	2,000
Uncollected payments:			
30.90 Uncollected pymts, Fed sources, end of year	0	0	0
Memorandum (non-add) entries:			
31.00 Obligated balance, start of year	0	0	0
32.00 Obligated balance, end of year	0	0	0
Budget Authority and outlays, net:			
40.00 Budget authority, gross	0	0	5,000
Outlays, gross:			
40.10 Outlays from new discretionary authority	0	0	3,000
40.11 Outlays from discretionary balances	0	0	0
40.20 Outlays, gross (Total)	0	0	3,000
Offsets against gross budget authority and outlays:			
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	5,000
41.90 Outlays, net (disc. and mand.)	0	0	3,000

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

SAFE TRANSPORTATION OF ENERGY PRODUCTS

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code 69-1772	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
Direct obligations:			
25.1 Other services	0	0	5,000
99.9 Total obligations	\$0	\$0	\$5,000

PERSONNEL SUMMARY

Identification Code 69-1772	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 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 Funds are Currently Spent on the Program?

(\$000)

ITEM	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
<u>ESSENTIAL AIR SERVICE (Overflight Fees) - Mandatory Budget Authority</u>				
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	\$2,047	\$2,069	\$2,101	\$32
Travel	\$1	\$1	\$1	\$0
Other Costs	\$302	\$313	\$312	-\$1
Essential Air Service Subsidy	\$116,555	\$105,816	\$105,964	\$149
TOTAL	\$118,906	\$108,199	\$108,379	\$180

STAFFING

Direct Positions	14	14	14	0
Direct FTEs	13	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	\$149,000	\$155,000	\$175,000	\$20,000
TOTAL	\$149,000	\$155,000	\$175,000	\$20,000

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 \$283 million and 13 FTEs in FY 2016, a discretionary appropriation of \$175 million and a mandatory appropriation of \$108 million.

1/The FY 2016 funding level will be reduced by the mandatory sequester

Detailed Justification for the Essential Air Service (EAS) Program

What Is This Program And Why Is It Necessary?

The EAS program supports the Department's **Quality of Life in Communities** Strategic Goal. The EAS program was established at the time the Airline Deregulation Act (ADA) was passed in 1978. Under the Act, small and more isolated 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). In 2016, about 160 communities across the country, including 43 in Alaska will receive subsidized 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 ¹	1.32
2013	160	255.0 ²	1.59
2014	160	268.0	1.68

¹ Includes \$22.5 million unobligated balance of Payments to Air Carriers funding carried forward into FY 2012.

² Includes unobligated balance of Payments to Air Carriers funding carried forward into FY 2013, prior year recoveries and transfers from other OST programs.

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

The requested FY 2016 program level of \$283 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, Ely, NV, and Lewistown and Miles City, MT, at a savings of about \$6 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. The \$283 million program level only includes cost savings from one community (Athens, GA) that did not submit a waiver request from the 10 enplanement reform. An additional 12 communities also lost eligibility as a result of the reform. The Secretary, however, granted waivers for all 12 communities allowing continued participation in the program. An estimated 4 additional communities could lose eligibility for also falling below the 10 enplanement requirement (for FY14), and those communities could also be granted a waiver. The 12 communities mentioned above that were granted waivers will have their compliance with the 10-enplanement requirement measured again from October 1, 2014, through September 30, 2015.

The Department has also issued a proposed notice of enforcement policy that announces how the Department intends, going forward, to enforce compliance with the requirements of the Department of Transportation and Related Agencies Appropriations Act, 2000, which prohibits the Department from subsidizing EAS to communities located within the 48 contiguous States receiving per passenger subsidy amounts exceeding \$200, unless the communities are located more than 210 miles from the nearest large or medium hub airport. The \$283 million program level does not include any savings from the \$200 subsidy-per-passenger cap policy because the implementation process (data collection, show cause and waiver decisions) will not be completed until late in FY 2016.

What Benefits Will Be Provided To The American Public Through This Request?

Eligible communities will continue to receive subsidized scheduled air service. A table showing average enplanements, annual subsidy rates, passenger totals, and subsidy per passenger at each EAS community follows on the next page.

Essential Air Service Subsidy Per Passenger

<u>State</u>	<u>EAS Community</u>	Est. miles to nearest hub (S, M, or L)	Average enplanements per day	Annual Subsidy rates at 1/1/15	Passenger totals at 09/30/14	Subsidy per passenger at 09/30/14
AL	Muscle Shoals	60	5.9	\$1,739,308	3,701	\$470
AR	El Dorado/Camden	237	12.4	\$1,977,153	7,741	\$255
AR	Harrison	244	14.2	\$2,251,207	8,862	\$254
AR	Hot Springs	198	8.6	\$1,637,012	5,374	\$305
AR	Jonesboro	82	14.7	\$1,942,890	9,230	\$210
AZ	Kingman	121	1.7	\$1,635,180	1,059	\$1,544
AZ	Page	282	16.2	\$2,472,028	10,111	\$244
AZ	Prescott	102	13.2	\$2,094,325	8,281	\$253
AZ	Show Low	154	7.2	\$1,672,000	4,521	\$370
CA	Crescent City	314	42.2	\$2,454,084	26,403	\$93
CA	El Centro	114	7.3	\$1,943,751	4,591	\$423
CA	Merced	107	7.3	\$2,779,116	4,583	\$606
CA	Visalia	178	7.0	\$2,145,917	4,355	\$493
CO	Alamosa	199	14.8	\$2,192,179	9,286	\$236
CO	Cortez	255	16.4	\$2,270,297	10,263	\$221
CO	Pueblo	121	12.3	\$1,737,732	7,715	\$225
GA	Macon	82	4.5	\$1,998,696	2,817	\$710
IA	Burlington	188	20.4	\$1,917,566	12,780	\$150
IA	Fort Dodge	156	2.3	n/a	1,441	n/a
IA	Mason City	133	2.8	\$4,290,533	1,752	n/a
IA	Sioux City	97	77.4	\$611,434	48,482	\$13
IA	Waterloo	218	69.4	\$945,546	43,462	\$22
IL	Decatur	126	20.6	\$2,667,922	12,892	\$207
IL	Marion/Herrin	123	31.4	\$2,104,616	19,662	\$107
IL	Quincy	111	31.8	\$1,956,856	19,938	\$98
KS	Dodge City	249	12.2	\$2,339,131	7,637	\$306
KS	Garden City	300	70.8	\$1,445,172	44,307	\$33
KS	Great Bend	265	1.3	\$1,434,472	806	n/a
KS	Hays	284	15.6	\$2,253,132	9,773	\$231
KS	Liberal/Guymon	259	13.3	\$2,236,180	8,355	\$268
KS	Salina	186	6.9	\$1,490,479	4,295	\$347
KY	Owensboro	105	12.0	\$1,529,913	7,485	\$204
KY	Paducah	146	66.1	\$2,034,160	41,398	\$49
MD	Hagerstown	78	4.4	\$1,785,638	2,783	\$642
ME	Augusta/Waterville	168	17.3	\$1,818,106	10,824	\$168
ME	Bar Harbor	256	15.6	\$1,631,223	9,771	\$167
ME	Presque Isle/Houlton	358	39.0	\$4,710,683	24,390	\$193
ME	Rockland	177	21.4	\$1,890,918	13,415	\$141
MI	Alpena	236	42.1	\$2,168,995	26,329	\$82
MI	Escanaba	227	54.0	\$3,507,011	33,814	\$104
MI	Hancock/Houghton	334	73.8	\$690,976	46,221	\$15
MI	Iron Mountain/Kingsford	290	35.3	\$2,512,971	22,067	\$114
MI	Ironwood/Ashland	213	6.1	\$3,563,394	3,812	\$935

Section 3 – FY 2016 Budget Request by Appropriation

MI	Manistee/Ludington	233	10.5	\$2,328,104	6,547	\$356
MI	Muskegon	165	47.1	\$1,389,952	29,495	\$47
MI	Pellston	267	89.9	\$1,077,413	56,252	\$19
MI	Sault Ste. Marie	347	67.3	\$1,765,393	42,156	\$42
MN	Bemidji	213	69.8	\$1,118,050	43,725	\$26
MN	Brainerd	123	52.9	\$1,356,764	33,109	\$41
MN	Chisholm/Hibbing	199	32.5	\$2,535,502	20,320	\$125
MN	International Falls	298	46.3	\$1,107,900	28,966	\$38
MN	Thief River Falls	305	1.7	\$2,428,750	1,090	n/a
MO	Cape Girardeau/Sikeston	127	19.6	\$1,627,966	12,270	\$133
MO	Fort Leonard Wood	136	24.8	\$2,905,794	15,552	\$187
MO	Joplin	167	79.8	\$342,560	49,937	\$7
MO	Kirksville	154	17.7	\$1,649,248	11,098	\$149
MS	Greenville	154	6.9	\$1,483,080	4,347	\$341
MS	Laurel/Hattiesburg	135	12.2	\$3,910,654	7,648	\$511
MS	Meridian	185	15.4	\$3,910,654	9,644	\$406
MS	Tupelo	94	16.6	\$2,506,436	10,385	\$241
MT	Butte	415	95.0	\$735,956	59,475	\$12
MT	Glasgow	709	10.4	\$2,046,800	6,519	\$314
MT	Glendive	607	6.4	\$1,944,467	4,024	\$483
MT	Havre	668	6.5	\$2,036,254	4,098	\$497
MT	Sidney	658	34.2	\$3,777,579	21,385	\$177
MT	West Yellowstone	332	47.3	\$535,141	11,544	\$46
MT	Wolf Point	686	11.3	\$2,145,326	7,066	\$304
ND	Devils Lake	402	6.0	\$3,224,917	3,757	n/a
ND	Jamestown	333	3.3	\$3,126,564	2,097	n/a
NE	Alliance	233	2.3	\$1,309,865	1,456	\$900
NE	Chadron	290	3.4	\$1,309,865	2,153	\$608
NE	Grand Island	138	74.6	\$1,837,021	46,706	\$39
NE	Kearney	181	33.0	\$2,034,866	20,637	\$99
NE	McCook	256	2.5	\$2,254,017	1,571	n/a
NE	North Platte	255	17.0	\$2,818,163	10,613	\$266
NE	Scottsbluff	192	17.6	\$2,443,523	10,992	\$222
NH	Lebanon/White River Jct.	124	34.6	\$2,972,718	21,635	\$137
NM	Carlsbad	280	6.4	\$1,397,081	4,033	\$346
NM	Clovis	233	n/a	\$3,179,857	n/a	n/a
NM	Silver					
NM	City/Hurley/Deming	229	n/a	\$3,377,495	2,932	n/a
NY	Jamestown	76	9.3	\$2,045,481	5,813	\$352
NY	Massena	256	14.4	\$2,090,949	8,998	\$232
NY	Ogdensburg	223	17.1	\$1,702,697	10,717	\$159
NY	Plattsburgh	243	26.7	\$2,714,074	16,705	\$162
NY	Saranac Lake/Lake Placid	233	16.4	\$1,832,064	10,236	\$179
NY	Watertown	172	62.8	\$3,356,349	39,344	\$85
OR	Pendleton	203	13.6	\$1,834,708	8,510	\$216
PA	Altoona	112	11.3	\$2,346,168	7,061	\$332
PA	Bradford	77	7.2	\$1,940,272	4,535	\$428
PA	DuBois	112	13.5	\$2,285,539	8,447	\$271
PA	Franklin/Oil City	85	4.2	\$1,293,515	2,652	\$488
PA	Johnstown	84	16.3	\$2,438,254	10,179	\$240
PA	Lancaster	86	6.2	\$2,504,174	3,852	\$650

Section 3 – FY 2016 Budget Request by Appropriation

PR	Mayaguez	105	18.9	\$1,198,824	11,823	\$101
SD	Aberdeen	270	83.1	\$1,043,719	52,049	\$20
SD	Huron	281	4.0	\$2,552,000	2,480	n/a
SD	Watertown	207	8.2	\$2,847,284	5,158	\$552
TN	Jackson	86	6.8	\$1,687,696	4,254	\$397
TX	Victoria	124	7.8	\$2,288,152	4,869	\$470
UT	Cedar City	179	41.3	\$2,317,439	25,885	\$90
UT	Moab	256	17.8	\$2,303,347	11,134	\$207
UT	Vernal	150	14.5	\$1,415,696	9,101	\$156
VA	Staunton	134	35.9	\$1,980,922	22,498	\$88
VT	Rutland	134	17.1	\$1,360,481	10,730	\$127
WI	Eau Claire	92	59.7	\$1,546,536	37,365	\$41
WI	Rhineland	216	69.5	\$1,519,619	43,522	\$35
WV	Beckley	211	11.0	\$2,696,888	6,911	\$390
WV	Clarksburg/Fairmont	96	17.0	\$2,310,252	10,660	\$217
WV	Greenbrier/W. Sulphur Sps	230	28.1	\$3,582,194	17,601	\$204
WV	Morgantown	75	29.5	\$2,342,074	18,495	\$127
WV	Parkersburg/Marietta	110	16.3	\$3,505,876	10,194	\$344
WY	Cody	457	100.6	\$1,380,779	62,990	\$22
WY	Laramie	145	39.1	\$1,722,081	24,495	\$70
WY	Worland	394	4.9	\$2,327,987	3,065	\$760

n/a

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Clovis, NM - no service between 2/1/14 and 7/15/14, new carrier effective 7/15/14

Devils Lake, ND - no service between 2/1/14 and 6/5/14, new carrier and new hub effective 6/5/14

Fort Dodge, IA - no service between 2/1/14 and 2/23/15

Great Bend, KS - no service between 4/1/14 and 6/16/14; new carrier and new hub effective 6/16/14

Huron, SD - new rate effective 10/1/14

Jamestown, ND - no service between 2/1/14 and 6/5/14, new carrier and new hub effective 6/5/14

Mason City, IA - no service between 2/1/14 and 11/17/14

McCook, NE - no service between 4/1/14 and 6/1/14, less than 2 flights per day (EAS minimum) since 6/1/14

Thief River Falls, NM - no service between 2/1/14 and 10/1/14

OFFICE OF THE SECRETARY OF TRANSPORTATION

ESSENTIAL AIR SERVICE

Explanation of Funding Changes

(\$000)

ITEM	AMOUNT	FTEs
FY 2014 Actual	\$118,906	13
FY 2015 Enacted	\$108,199	13
<u>Adjustments to Base</u>		
Annualization of January 2015 Pay Raise	\$5	
Annualization of New Positions Requested in FY 2015	\$0	0
One Extra Compensable Day	\$8	
January 2016 Pay Raise	\$20	
GSA Rent	\$0	
Working Capital Fund and FECA Changes	-\$5	
FERS and FEHB Increases	\$1	
Inflation	\$1	
FY 2016 Baseline Estimate	\$108,228	13
<u>FY 2016 Program Changes (+/-):</u>	\$151	0
Adjusts the funding level to the estimated Overflight Fee collections		
Total, FY 2016 Request	\$108,379 ^{1/}	13

^{1/}The FY 2016 funding level will be reduced by the mandatory sequester.

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 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
69-5423-0-2-402			
Obligations by program activity:			
0001 Essential Air Service and Rural Airport	81,644	106,000	102,478
0900 Total new obligations	81,644	106,000	102,478
Budgetary Resources:			
Unobligated balance:			
1000 Unobligated balance brought forward, Oct 1	2,800	40,005	42,204
1010 Unobligated balance transferred to other accounts [69-5422]	-61	0	0
1021 Recoveries of prior year unpaid obligations	4	0	0
1050 Unobligated balance (total)	2,743	40,005	42,204
Budget Authority:			
Appropriations, mandatory:			
1221 Transferred from other accounts [69-5422]	128,131	116,720	108,379
1232 Appropriations temporarily reduced	-9,225	-8,521	0
1260 Appropriations, mandatory (total)	118,906	108,199	108,379
Mandatory spending authority from offsetting collections:			
1800 Offsetting collections	0	0	0
1900 Budget authority (total)	118,906	108,199	108,379
1930 Total budgetary resources available	121,649	148,204	150,583
Memorandum (non-add) entries:			
1941 Unexpired unobligated balance, end of year	40,005	42,204	48,105
Change in obligated balance:			
Obligated balance, start of year (net):			
3000 Unpaid obligations, brought forward, Oct 1 (gross)	16,969	27,414	2,395
3010 Obligations incurred, unexpired accounts	81,644	106,000	102,478
3020 Outlays (gross)	-71,195	-131,019	-103,887
3040 Recoveries of prior year unpaid obligations, unexpired	-4	0	0
3050 Unpaid obligations, end of year (gross)	27,414	2,395	986
3100 Obligated balance, start of year (net)	16,969	27,414	2,395
3200 Obligated balance, end of year (net)	27,414	2,395	986
Budget authority and outlays, net:			
Mandatory:			
4090 Budget authority, gross	118,906	108,199	108,379
Outlays, gross:			
4100 Outlays from new mandatory authority	59,212	63,600	61,487
4101 Outlays from mandatory balances	11,983	67,419	42,400
4110 Outlays, net (total)	71,195	131,019	103,887
Offsets against gross budget authority and outlays:			
Offsetting collections (collected) from:			
4123 Non-Federal sources	0	0	0
4090 Budget authority, gross (mandatory)	118,906	108,199	108,379
4170 Outlays, gross (total)	71,195	131,019	103,887
4180 Budget authority, net (total)	118,906	108,199	108,379
4190 Outlays, net (total)	71,195	131,019	103,887

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

ESSENTIAL AIR SERVICE AND RURAL AIRPORT IMPROVEMENT FUND

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
Personnel compensation:			
11.1 Full-time permanent	1,473	1,575	1,600
11.5 Other personnel compensation	18	21	21
11.9 Total personnel compensation	1,491	1,596	1,621
12.1 Civilian personnel benefits	404	472	480
21.0 Travel and transportation of persons	4	1	1
23.0 Communication and utilities	0	0	0
25.0 Other services	276	246	247
26.0 Supplies and materials	8	3	3
31.0 Equipment	365	59	62
41.0 Grants, subsidies, and contributions	79,096	103,623	100,063
0.0 Transfers	0	0	0
99.0 Subtotal, direct obligations	81,644	106,000	102,478
99.0 Reimbursable obligations	0	0	0
99.9 Total new obligations	81,644	106,000	102,478

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
69-5423-0-2-402	ACTUAL	ENACTED	REQUEST
1001 Total compensable workyears: Full-time equivalent employment	13	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 2014	FY 2015	FY 2016
69-8304-0-7-402	ACTUAL	ENACTED	REQUEST
Obligations by program activity:			
0001	158,372	166,000	175,000
0900	158,372	166,000	175,000
Budgetary Resources:			
Unobligated balance:			
1000	13,433	11,582	582
1021	7,520	0	0
1050	20,953	11,582	582
Budget Authority:			
Appropriations, discretionary:			
1101	149,000	155,000	175,000
1132	0	0	0
1160	149,000	155,000	175,000
Discretionary spending authority from offsetting collections:			
1700	0	0	0
1900	149,000	155,000	175,000
1930	169,953	166,582	175,582
Memorandum (non-add) entries:			
1941	11,582	582	582
Change in obligated balance:			
Obligated balance, start of year (net):			
3000	24,498	33,842	61,420
3010	158,372	166,000	175,000
3020	-141,508	-138,422	-167,001
3040	-7,520	0	0
3050	33,842	61,420	69,419
3100	24,498	33,842	61,420
3200	33,842	61,420	69,419
Budget authority and outlays, net:			
Discretionary:			
4000	149,000	155,000	175,000
Outlays, gross:			
4010	123,218	93,000	105,000
4011	18,290	45,422	62,001
4020	141,508	138,422	167,001
Offsetting collections (cash) from:			
4030	0	0	0
4180	149,000	155,000	175,000
4190	141,508	138,422	167,001

Section 3 - FY 2016 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 2014	FY 2015	FY 2016
69-8304-0-7-402	ACTUAL	ENACTED	REQUEST
Direct obligations:			
41.0 Grants, subsidies and contributions	<u>158,372</u>	<u>166,000</u>	<u>175,000</u>
99.9 Total new obligations	158,372	166,000	175,000

Detailed Justification for the Working Capital Fund

What Is The Request And What Funds are Currently Spent on the Program?

TOTAL WORKING CAPITAL FUND

FY 2016 BUDGET ESTIMATE

(In thousands of dollars)

<u>Program</u>	FY 2014 <u>Actual</u>	FY 2015 <u>Enacted</u>	FY 2016 <u>Request</u>	Difference from FY 2015 <u>Enacted</u>
WCF DOT Activities	178,000	181,500	190,039	8,539
WCF Non-DOT Activities	340,482	341,102	362,788	21,686
Total	518,482	522,602	552,827	30,225

Staffing

Reimbursable Positions	280	314	385	71
Reimbursable FTE	223	282	350	68
Contractor Positions Eliminated	23	34	100	N/A
New Federal Positions	21	34	66	N/A

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 Chief Information Officer also receives appropriations for Cyber Security Initiatives.

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 2016, the WCF estimates \$552.827 million in obligations, 385 positions, and 350 FTEs in this request.

The Office of the Chief Information Officer is completing its transition from contractor resources to Federal Information Technology staff in FY 2016. 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. The over use of contractors has radically increased the WCF's operating expenses. Many functions performed by contractors can or should be performed by government employees. The OCIO began the transition in FY 2014 with the submission and subsequent approval of the IT Workforce Restructuring reprogramming and will complete it with the final transition of 66 reimbursable positions and elimination of an additional 34 contractor resources.

What Is This Program and Why is it Necessary?

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 operations, 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 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.

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.

FY 2015 Anticipated Accomplishments:

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.

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 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;

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 FY2015 will be:

- Implementation support for up to three (3) 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
- Analysis and documentation of implementation lessons learned
- Implementation preparation activities for subsequent waves

The WCF will separate 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. In addition, Facilities Services will install Video TeleConferencing (VTC) equipment to allow for different types of communications, both on-site and off-site. The VTC will use a broadcast system and will greatly improve the quality of VTC transmissions for the Department.

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 replaces 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 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.

The WCF will transfer the IP based Closed Circuit Television (CCTV) Video Management System (VMS) and the VTC system into the WCF and will begin to collect future replacement costs from our WCF Customers. The CCTV will enable DOT to view and record all activity in, around, and throughout the DOT Headquarters. The VTC will help minimize travel associated with meetings and conferences.

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

The FY 2016 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 2016 WCF request represents a \$30.225 million net increase over FY 2015 enacted levels. Specific changes from the FY 2015 levels are discussed below:

NON-DOT obligations increase by \$21.686 million. This is due to increases in customer demand in Transit Benefit & Parking of \$21.578 million and a small increase in other business lines of \$.108 million due to pre-negotiated contract increases, and adjustments in personnel costs.

DOT obligations increased by \$8.539 million overall, with significant increases and decreases in several areas.

Acquisition Services is requesting three positions and \$.270 million to provide additional acquisition support. The additional FTE will address concerns expressed in the DOT OIG audit report Number ZA-2011-119 entitled “Weaknesses in the Office of the Secretary’s Acquisition Function Limit its Capacity to Support DOT’s Mission” which supports the need to hire Contract Specialists. The hiring of Contract Specialists in lieu of contractor acquisition support personnel addresses long standing staffing shortages in Acquisition Services that are being offset with contractor personnel. This approach has not proven effective due to the limited activities that contractor staff can perform on behalf of the government and high turnover of personnel. Hiring Federal FTE will enable Acquisition Services to fully utilize the capacity of the acquisition work-force.

The DP2 program obligations are increasing by \$2.543 million in FY 2016. This is a planned increase consistent with implementation plans and reflects the increased level of effort by our service provider in line with providing implementation support for 4 separate customers during FY 2016.

Building Security Costs decreased by \$2.199 million as a result of contract negotiations that resulted in significant savings for the Department (\$1.551 million) and a \$.648 million reduction in equipment to reflect the one time purchase of the DSX access control and alarm system at FOB 10A in FY 2015.

Copier, Printing & Multimedia is increasing by a net of \$.941 million. This is due to a customer specific increase for the printing of DOT’s Emergency Response Guide of \$2.5 million being partially offset by decreases in customer demand for printing of \$.960 million and \$.599 million in contract savings resulting from a change in the contract vehicle for purchasing copier supplies for the Department. The program now manages copier supplies internally and purchases them

using an existing DOT wide contract vehicle. It is estimated that by taking advantage of these efficiencies and economies of scale, the program will save approximately 30 percent annually.

An increase of \$1.435 million is requested for two new services in the WCF. During November 2014, the WCF Steering Committee approved the inclusion of News Media Services and the Crisis Management Center (CMC) in the WCF. This will increase efficiencies in the Department by eliminating a total of sixteen Inter-agency agreements (IAAs), eleven for the News Media and five IAAs for the CMC. There will be no additional costs to the Operating Administrations, as the customers were already reimbursing OST outside of the WCF.

Human Resource Systems is increasing by \$.836 million. \$.200 million is requested for the enterprise-wide Emergency Notification System. This will expand our capability to include mass notification; consistent messaging through-out the Department; timely accounting of personnel; provide a reliable available service notification post event; and ensure continuity of operations throughout the Department. An increase of \$.554 is requested for the full migration of FAA into a shared environment in the cloud for the Department's Training Management System (TMS). An increase of \$.082 million is the result of rate changes from our government service providers.

Mail Service and Postage decreased by \$.450 million to reflect the reduced quantity of mailings throughout the Department.

Security Operations is requesting one position and \$.140 million for the Classified National Security Information (CNSI) program. DOT OIG Audit F1-2013-136 recommended an additional position for this program. The CNSI program is responsible for the technical direction related to the protection and safeguarding of classified materials at DOT headquarters. The information Security specialists develop and deliver annual training to the approximately 1,100 clearance holders at DOT and biennial training for derivative classifiers within the department as required by Executive order 13526. The CNSI program is also responsible for conducting inspections of classified activities at all DOT components (except FAA), submitting annual statistical reports to NARA, and maintaining an inventory of all security containers in the Department.

The DOT Transit Benefit & Parking estimate increased by \$4.711 million. This represents an increase of \$5.525 million for potential inclusion of a large DOT customer in the Transit Benefit program. This is offset by a decrease of \$.814 million to reflect the current utilization levels of other Transit Benefit customers within DOT.

Human Resource Services is requesting one position to manage Organizational Planning & Initiatives (OPI) for the Department. OPI ensures that DOT satisfies its statutory and regulatory requirements under the Chief Human Capital Officers Act of 2002 and the Federal Workforce Flexibility Act of 2004. Activities include conducting workforce analyses, competency assessments, and reporting on leadership development and other learning programs in support of the Department. OPI activities are performed predominately by contractor staff, and having a dedicated manager to support this program would greatly enhance the effectiveness of this effort.

The Desktop Services request is being decreased by \$3.047 million as a result of an anticipated decrease in customer demand as evidenced by the most recent Department-wide Desktop count.

A \$.752 million increase is requested for the Enterprise Dashboard. In the third quarter of FY 2014, the WCF Steering Committee requested the WCF integrate the Enterprise Dashboard into the WCF. The Enterprise Dashboard environment was developed by the Federal Railroad Administration and has become an enterprise tool for the Department.

Enterprise Licenses estimates were increased by \$2.017 million due to the revised agreement negotiated with Microsoft that included additional customer specific software requirements and revised rates.

Voice, Cable, & Wireless increases by \$.968 million as a direct result of increased demand driven by specific customer requests.

Other small increases and decreases resulting in a net decrease of \$.378 million have been incorporated in various programs and are reflected in the revenue estimates to the WCF customers.

Without the DOT WCF, each operating administration would have to assume responsibility for the common administrative services provided by 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 2016 Program Initiatives:

The WCF is requesting a new General Provision that provides comprehensive authority to operate a Transit Benefit Program, including partial or full payment in advance on behalf of customers to ensure continuity of benefits across fiscal years to all program participants.

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 partial or full payments in advance and accept subsequent reimbursements from all Federal agencies for transit benefit distribution services 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 maintain a reasonable operating reserve in the Working Capital Fund, to be expended in advance to provide uninterrupted Transit Benefits to Government Employees, provided that reserve will not exceed one month of benefits payable; Provided further, that such reserves may be used only for the purpose of providing for the continuation of Transit Benefits, provided that the Working Capital Fund will be fully reimbursed by each customer agency for the actual cost of the transit benefit.

FY2016 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>2016 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	7,743	0	7,743
Building Security	13,565	0	13,565
Commercial Services Management	65	0	65
COOP Facility	619	0	619
Copier, Printing & Multimedia	8,108	0	8,108
Crisis Management Center (CMC)	1,005	0	1,005
Disability Resource Center	2,399	280	2,679
Docket Services	1,535	583	2,118
E-Gov Initiative	4,656	0	4,656
Facilities Services & Utilities	10,566	339	10,905
Federal Laboratory Consortium	31	0	31
Financial Assistance Reporting System (FARS)	500	0	500
Financial Mgmt, Accounting, & Administration	7,163	0	7,163
Flexible Spending Account	363	0	363
Headquarters Space Management & WCF Rent	8,910	0	8,910
Human Resource Services	5,705	53	5,758
Human Resource Systems	20,287	0	20,287
Library & Information Services	1,473	0	1,473
Mail Services & Postage	3,147	0	3,147
News Media Services	430	0	430
Security Operations	6,060	0	6,060
Substance Abuse Awareness & Testing	2,987	3,180	6,167
Transit Benefits & Parking	10,613	358,353	368,966
Unemployment Compensation	2,009	0	2,009
Warehouse	999	0	999
Assistant Secretary for Admin Subtotal:	120,938	362,788	483,726
Chief Information Officer			
Campus Area Network (CAN)	6,647	0	6,647
Desktop Services	14,352	0	14,352
Enterprise Dashboard	752	0	752
Enterprise Licenses	3,642	0	3,642
Information Assurance & Privacy	14,791	0	14,791
Server & Messaging Services	14,673	0	14,673
Voice, Cable & Wireless	14,244	0	14,244
Chief Information Office Subtotal:	69,101	0	69,101
Grand Total:	190,039	362,788	552,827

FY2015 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>2015 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	4,930	0	4,930
Building Security	15,764	0	15,764
Commercial Services Management	65	0	65
COOP Facility	884	0	884
Copier, Printing & Multimedia	7,167	15	7,182
Disability Resource Center	2,245	280	2,525
Docket Services	1,816	301	2,117
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,924	349	11,273
Federal Laboratory Consortium	26	0	26
Financial Assistance Reporting System (FARS)	500	0	500
Financial Mgmt, Accounting, & Administration	7,191	0	7,191
Flexible Spending Account	363	0	363
Headquarters Space Management & WCF Rent	8,534	0	8,534
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
Security Operations	5,920	0	5,920
Substance Abuse Awareness & Testing	2,969	3,333	6,302
Transit Benefits & Parking	5,902	336,775	342,677
Unemployment Compensation	2,009	0	2,009
Warehouse	1,306	0	1,306
Assistant Secretary for Admin Subtotal:	<u>113,500</u>	<u>341,102</u>	<u>454,602</u>
Chief Information Officer			
Campus Area Network (CAN)	6,550	0	6,550
Desktop Services	17,399	0	17,399
Enterprise Licenses	1,625	0	1,625
Information Assurance & Privacy	14,890	0	14,890
Server & Messaging Services	14,260	0	14,260
Voice, Cable & Wireless	13,276	0	13,276
Chief Information Office Subtotal:	<u>68,000</u>	<u>0</u>	<u>68,000</u>
Grand Total:	<u>181,500</u>	<u>341,102</u>	<u>522,602</u>

FY 2014 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>2014 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	5,260	0	5,260
Building Security	13,118	0	13,118
Commercial Services Management	65	0	65
COOP Facility	905	0	905
Copier, Printing & Multimedia	8,382	15	8,397
Disability Resource Center	2,268	280	2,548
Docket Services	2,081	249	2,330
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,691	346	11,037
Federal Laboratory Consortium	26	0	26
Financial Assistance Reporting System (FARS)	500	0	500
Financial Mgmt, Accounting, & Administration	6,821	0	6,821
Flexible Spending Account	363	0	363
Headquarters Space Management & WCF Rent	9,300	0	9,300
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
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
Assistant Secretary for Admin Subtotal:	<u>110,863</u>	<u>339,872</u>	<u>450,735</u>
Chief Information Officer			
Campus Area Network (CAN)	6,731	0	6,731
Desktop Services	18,242	0	18,242
Enterprise Licenses	1,625	0	1,625
Information Assurance & Privacy	14,857	0	14,857
Server & Messaging Services	13,981	0	13,981
Voice, Cable & Wireless	11,701	610	12,311
Chief Information Office Subtotal:	<u>67,137</u>	<u>610</u>	<u>67,747</u>
Grand Total:	<u>178,000</u>	<u>340,482</u>	<u>518,482</u>

ASSISTANT SECRETARY FOR ADMINISTRATION
WORKING CAPITAL FUND
FY 2016 BUDGET ESTIMATE
(In thousands of dollars)

<u>Program</u>	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
DOT Activities	110,863	113,500	120,938	7,438
Non-DOT Activities	339,872	341,102	362,788	21,686
Total	450,735	454,602	483,726	29,124
 <u>Staffing</u>				
Reimbursable Positions	227	219	224	5
Reimbursable FTE	198	219	222	3

The Office of the Assistant Secretary for Administration continues to meet the challenge to think more globally, respond to customer needs, anticipate and plan for future impacts of services offered, and strategically define what should be done in order to best prioritize and deploy resources.

MISSION/VISION/VALUES

The OASA provides the Department with a competitively priced, comprehensive range of administrative services while continuously improving administrative activities to ensure effective performance through the use of best practices. The Office provides expertise to the Department on human resource management, administrative and internal security management, headquarters building and space management programs, procurement and federal acquisitions reporting while ensuring administrative support services are responsive to limitations and DOT's strategic policy direction.

The OASA staff plans, develops, evaluates, and provides support programs in the areas of: security; personnel; procurement; employee wellness; occupational health and safety; personal property; mail and copy management; motor pool; parking and transit benefits; graphics; printing, photography, warehousing, distribution, and library services; and space management. The staff consists of experienced government FTEs and contractors who oversee the technical and business operations.

FY 2016 BUSINESS LINES BY PROGRAM**Acquisitions & Procurement Operations****\$7.743 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), 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**\$13.565 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 if 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

\$.065 million

This activity provides mandatory training to all operating administrations and services for the Purchase Card Program and its support systems throughout the Department.

COOP Facility

\$.619 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.

Copier, Printing & Multimedia

\$8.108 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 284 machines in active use.

Crisis Management Center (CMC)

\$1.005 million

The CMC provides information and communications resources to effectively manage day-to-day operations and support emergency management, response, and recovery programs during emergency situations. Emergency situations may include: natural and technological disasters (e.g., hurricanes, earthquakes, major transportation accident, etc.), labor disputes, terrorist attacks, cyber-attacks, national security special events, security incidents, defense mobilization, and any transportation-related activity requiring extraordinary coordination among Departmental organizations, Federal, State, Tribal, and Local government authorities. This business line consolidates five reimbursable agreements into the WCF estimates.

Disability Resource Center

\$2.679 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

\$2.118 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

\$4.656 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

\$10.905 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.

Shipping and Receiving:

The Shipping and Receiving Office provides oversight of the loading dock for the Department which consist of: managing the service requests for labor support, managing the service tickets in automated system to track costs, validating Received items for delivery, loading and

offloading of truck deliveries, barcoding and uploading to automated property system, and maintenance on dock equipment.

Contract Labor Support:

The Facilities Office provides labor support to the DOT workforce. Support is requested to assist in special event planning, setting up conference rooms, employee relocations, moving equipment or furniture, hanging/removing photos/portraits/artwork, furniture reconfigurations and new installations, furniture maintenance, 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.

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 Departmental personal property management oversight and governance to several Operating Administrations (OST, MARAD, FRA, OIG, and STB) which consist of; asset barcoding, inventory management, shipping and receiving, dispositions, storage, transporting material, property repair and rehabilitation, property custodian training, 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. 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:

- Manages the DOT Approved Workstation Standards and furniture BPA nationwide.
- Manage Reports of Survey for property which is destroyed, lost, or damaged.

- 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.

Federal Laboratory Consortium

\$.031 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.

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.

Financial Management, Accounting & Administration

\$7.163 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.

Headquarters Space Management and WCF Rent**\$8.910 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 \$8.185 million, which includes the Federal Protection Services cost, is tracked under this business line and distributed to the other WCF programs.

Human Resource Services**\$5.758 million**Personnel Operations:

The Personnel Operations Program provides human resource services to the Office of the Secretary (OST). 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 360 degree 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 Department and operating administrations. The web-based program has positioned itself as an integral part of DOT's social landscape, by providing an easily accessible, 24/7 site for employees to submit, comment, rate, and grow ideas that represent their vision for a better DOT. IdeaHub weaves social collaboration and innovation into the very fabric of the Department and enhances the DOT's culture by giving all employees a voice.

With more than 11,000 ideas submitted, employees have demonstrated their interest in this resource. Program success has not only been realized through the 120 ideas that were implemented within the modes and across the Department, but also through the program's ability to communicate existing Departmental processes and policies. Employees value transparency and IdeaHub is a forum to shed light on hundreds of topics to interested employees. New endeavors planned in the coming year are aimed at increasing responsiveness and leveraging employee ideas to make DOT a 21st century government.

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 is staffed by Federal Occupational Health (FOH) staff eight hours per day, and provides service to a Federal population of approximately 3,600.

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.

Human Resource Systems

\$20.287 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

\$1.473 million

The National Transportation Library is one of the largest transportation libraries in the United States with a significant amount of unique holdings. While preserving the unique physical collections, the library is focused on meeting 21st century information needs of Departmental staff by increasing electronic resources supporting research and decision-making. The increase in electronic access to the library's collections continues to save the Department money and administrative overhead by centralizing the purchasing and management of multiple research subscriptions. In addition to converting print subscriptions to electronic versions, the library is systematically converting historic Departmental print documents to digital formats. The library also provides research and reference assistance across a variety of transportation and legal

resources, as well as offering circulation, interlibrary loan, journal routing, and cataloging services for both HQ and field offices. Library staff also consults and advises, for modes engaging in their own digitization projects.

Mail Services & Postage

\$3.147 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.

News Media Services

\$.430 million

The News Media Services Program supplies an electronic news retrieval service via contract to create a daily news briefing/summary to all Operating Administrations via DOT intranet. The objective is to provide the Department's roughly 55,000 staff and managers with a thorough, current, and timely summary and compilation of news stories along with an archive that can be searched by key words. This business line consolidates eleven reimbursable agreements into the WCF estimates.

Security Operations

\$6.060 million

Security & Investigations (S&I):

The Security and Investigations Program is an integral and crucial part of DOT's effort to ensure a safe and secure 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 and the DOT COOP site. 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 lock and key services and changing safe combinations periodically 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 OA field 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.

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 and oversight for the protection and safeguarding of classified information and materials at DOT nationwide (excluding FAA), 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 new program became 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, audits and reporting.

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 communications. 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

\$6.167 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

\$368.966 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 203 thousand participants worth in excess of \$250 million annually. TRANServe provides this fringe benefit 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.

- TRANServe operates a highly sophisticated program (the Program) for ordering fare media 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, 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. TRANServe has also transitioned its distribution methodology to a mostly electronic format through the TRANServe Debit Card reinforcing a costly effective and efficient framework for voucher distribution.
- The shift in distribution to electronic supports Green Government, strengthens internal controls, and meets Transit Authorities changing requirements.

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. 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 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

\$.999 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. 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 Hyattsville, 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 700 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.

OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
FY 2016 BUDGET ESTIMATE
(In thousands of dollars)

<u>Program</u>	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
DOT Activities	67,137	68,000	69,101	1,101
Non-DOT Activities	610	0	0	0
Total	67,747	68,000	69,101	1,101

Staffing

Reimbursable Positions	53	95	161	66
Reimbursable FTE	25	63	128	65
Contractor Positions Eliminated	23	34	100	N/A
New Federal Positions	21	34	66	N/A

The staffing levels above reflect approval of the IT Workforce Restructuring reprogramming.

Background

The Office of the Chief Information Officer (OCIO) has the responsibility for the management and administration of the IT Shared Services (ITSS) portion of the Department's WCF organization, which supports the operation of an infrastructure known as the common operating environment (COE) that includes telecommunications, messaging, directory services, a fully consolidated DOT headquarters network, service desk and related support.

OCIO recently completed an information technology (IT) workforce analysis to evaluate the current alignment of Federal staff to contractor resources supporting the Department's IT efforts. Based on the analysis, DOT submitted an IT Workforce Restructuring reprogramming for FY 2014 and 2015 which was approved and the staffing levels above reflect the changes. By the end of FY 2016 the realignment will be completed resulting in improved efficiencies and the elimination of a total of 36 contractor resources. Funding for the new reimbursable positions will be realigned from the OCIO's contract line item.

Consistent with OMB guidance, OCIO will work with the WCF Steering committee to reinvest potential savings from the eliminated positions to improve the Departmental IT infrastructure, IT services, and cybersecurity posture.

The current request will provide oversight and guidance over the \$69.1 million in IT services to the Department's OAs on a cost recovery basis.

MISSION/VISION/VALUES

WCF OCIO/ITSS 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 ITSS 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 ITSS staff maintain, operate, design, implement, and oversee communications and core IT infrastructure for the Department.

FY 2016 OCIO BUSINESS LINES BY PROGRAM

Campus Area Network (CAN) \$6.647 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 2016 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); 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 \$14.352 million

The ITSS desktop, laptop, and engineering PC program provides quality, cost effective seat management, and related support under service level agreements with customers. ITSS supports more than 8,900 desktop users.

OCIO continues to work with the operating administrations to support additional regional and field users as requested. Some operating administrations currently pay for this support directly (i.e. outside of the Working Capital Fund) and may recognize efficiencies by consolidating into the WCF.

The OCIO ITSS Desktop Services program includes 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.

Enterprise Dashboard \$0.752 million

The Dashboard allows users to visualize and understand WCF expenditures and to make better business decisions. The platform is also used to improve business intelligence in a variety of areas including demographics tracking, human resource planning, procurements, and undelivered orders.

Enterprise Licenses

\$3.642 million

ITSS manages the COE and is positioned to centrally manage and fund the Microsoft Enterprise License Agreement (ELA). This enables our customers to focus on their specific mission while the OCIO continues to manage and oversee the ELA. The current Microsoft agreement expired in June 2014, and as such, there are revised customer quantities and rates for this budget submission based on implementation of the new contract.

Information Assurance & Privacy

\$14.791 million

The Information Assurance and Privacy program is composed of the following six program areas:

Information Assurance:

The Information Assurance program is designed to ensure the protection, integrity, availability, and confidentiality of DOT mission and business systems, and 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.

The program supports continuous operations of the DOT Cyber Security Management Center (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 also provides vulnerability assessment, software assurance, and cyber forensic services to assist DOT OAs in identifying, correcting, or mitigating weaknesses in their mission and business systems during incident response activities.

Information Assurance also supports Security Awareness training to the entire DOT community. The program coordinates functions to develop, publish, support, and report upon training content, services, and activity on behalf of the Department. The program provides management for the DOT implementation of the Federal Identity, Credential, and Access Management program by increasing utilization of Federal smartcards such as the PIV card for access to Federal facilities, networks, and information systems.

Additionally, this program supports the continual Certification and Accreditation (C&A) process for all of the major systems that are managed by DOT ITSS. The C&A process within ITSS is 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.

The Department's Cyber Security Authorization Management (CSAM) system is a primary tool to support these functions. The program also provides capabilities that maximize re-use of available information to cost effectively support required enterprise information sharing and reporting to the Office of Inspector General, DHS, and the Office of Management and Budget.

Enterprise Network Operations Center (ENOC) is responsible for the monitoring, notification, and facility management in support of ITSS. 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 ITSS 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 ITSS and establishing a consistent and secure network across DOT.

In FY 2016, ITSS will:

- Continue to develop and implement processes and procedures for network monitoring and validation of network availability.
- Consolidate network circuits and build redundancy into the network topology.
- Refresh and continue to enhance remote access for security and usability.
- DOT is investing in and deploying the necessary equipment and software to provide system redundancy at our COOP/DR site.
- Continue to enhance network security so that only those users with patched operating systems, current anti-virus data files, and authorized access certificates have access to the DOT network.

IT Admin & Special Projects supports the overall management of the ITSS programs and certain special projects. The program costs are recovered through an equitable distribution to each ITSS program.

Financial Management Group provides business management and full back-end accounting support to the ITSS programs and special projects. The program costs are recovered through an equitable distribution to each ITSS program.

Logistics & Support Services include direct management and oversight of ITSS programs, Continuity of Operations (COOP) and Disaster Recovery (DR) activities for ITSS programs, Inventory Management/Help Desk software implementation and maintenance, Stockroom, and Administrative services. The program costs are recovered through an equitable distribution to each ITSS program.

Server and Messaging Services

\$14.673 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, Environmental Systems Research Institute (ESRI) costs and Web projects.

The Departmental Internet program provides server hosting and web design support for the DOT web site, as well as a subscription service for e-mail management and enhanced Google search capabilities. Web projects are based on customer demand. Several Operating Administrations are leveraging the enterprise cloud environment to their web sites.

ESRI develops functionality and provides comprehensive state-of-the-art geospatial solutions for the Department.

Server Operations provides hosting services for HQ servers and other devices for Operating Administrations (with the exception of FAA). Ongoing efforts are underway to study the current data center locations throughout the Department to develop and implement strategies for consolidation which include expanding on-site hosting capabilities, virtualization, and cloud computing.

Directory & Messaging Services:

The Directory and Messaging program supports DOT directory services, message routing, enterprise messaging backup, ediscovery, custom directory services, email security and spam filtering, 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 2016.

ITSS currently manages more than 10,000 user and administrative 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

\$14.244 million

The ITSS 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.

VCW services are an essential component of the DOT's IT support mission and are comprised of more than 17,000 telephone lines and 12,000 voice mailboxes, supported by the Southeast Federal Center's telecommunications system.

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.

ITSS has contained rising telecommunications costs over the past several 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 2015 Base 181,500

FY 2016 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	New FTE for Procurement Operations (\$270K) and expected DP2 program costs increases (\$2,543k).	2,813
Building Security	Favorable pricing on new guard contract (\$1,551K) and reduction in equipment costs for DSX Access Control system at the FAA (648K)	(2,199)
Copier, Printing, & Multimedia	VIP Customer specific increase for Emergency Response Guide of \$2.5M offset by other customer demand driven decreases of \$960K and MFP Supply Contract decreases of \$599K	941
Crisis Management Center (CMC)	Merger of existing Inter-Agency Agreements into the WCF as approved by the WCF Steering Committee	1,005
Human Resource Systems	Emergency Notification System (\$200K), full migration of FAA to TMS (\$554), and rate changes from Service providers (\$82K)	836
Mail Services & Postage	Reduced use of postage by WCF customers.	(450)
News Media Services	Merger of existing Inter-Agency Agreements into the WCF as approved by the WCF Steering Committee	430
Security Operations	New Personnel Security Specialist.	140
Transit Benefits & Parking	Potential increase in usage for a large DOT Customer (\$5,525), offset by reduced customer utilization of fare media for other customers (-\$814)	4,711
Other	Adjustments in customer usage and favorable pricing from service providers.	(790)
Assistant Secretary for Admin Subtotal:		7,438
<i>Chief Information Officer</i>		
Desktop Services	Decrease in customer usage (revised Desktop Counts)	(3,047)
Enterprise Dashboard	Customer approved service increase	752
Enterprise Licenses	Revised vendor agreement includes customer specific software	2,017
Voice, Cable, & Wireless	Customer specific increases in usage	968
Other	Pre-negotiated contract increases and other adjustments in customer usage	411
Chief Information Office Subtotal:		1,101
Total FY 2016 Request		190,039

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

PROGRAM AND FINANCING
(In thousands of dollars)

Identification Code	FY 2014 ACTUAL	FY 2015 ENACTED	FY 2016 REQUEST
021-04-4520-0			
Obligations by program activity:			
08.01	166,678	181,500	190,039
08.02	229,363	341,102	362,788
09.00	396,041	522,602	552,827
Budgetary resources available for obligations:			
10.00	91,390	59,006	59,006
10.21	22,291	0	0
10.29	0	0	0
10.50	113,681	59,006	59,006
New budget authority (gross), detail:			
Spending from offsetting collections:			
Discretionary			
17.00	375,554	522,602	552,827
17.01	-34,187	0	0
17.50	341,367	522,602	552,827
19.30	455,048	581,608	611,833
19.41	59,006	59,006	59,006
Change in obligated balances:			
3000	53,127	55,705	5,185
3001	4,105	0	0
3010	396,041	522,602	552,827
3020	-376,291	-573,122	-552,539
3040	-22,291	0	0
3050	55,705	5,185	5,290
3060	-52,243	-22,162	-22,162
3061	-4,105	0	0
3070	34,187	0	0
3090	-22,162	-22,162	-22,162
3100	884	33,543	-16,977
3200	33,543	-16,977	-16,872
Outlays (gross), detail:			
40.00	341,367	522,602	552,827
40.10	347,144	517,417	547,313
40.11	29,147	55,705	5,226
40.20	376,291	573,122	552,539
Offsets:			
Against gross budget authority and outlays:			
Offsetting collections (cash) from:			
40.30	-373,217	-520,602	-550,719
40.33	-2,336	-2,000	-2,108
40.40	-375,553	-522,602	-552,827
Against gross budget authority only:			
40.50	34,187	0	0
40.60	0	0	0
40.80	-275	50,520	-288
41.90	-275	50,520	-288

Note: FY 2003 column includes funding for CSRS/FEHB accruals.
FY 2001 and 2002 do not include funding for CSRS/FEHB accruals.

DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY

WORKING CAPITAL FUND

OBJECT CLASSIFICATION
(In thousands of dollars)

Identification Code	FY 2014	FY 2015	FY 2016
021-04-4520-0	ACTUAL	ENACTED	REQUEST
Reimbursable obligations:			
Personnel compensation:			
11.1 Full-time permanent	\$20,828	\$25,132	\$25,147
11.2 Accrued leave	156	123	27
11.3 Other than full-time permanent	778	824	172
11.5 Other personnel compensation	168	407	523
11.8 Special personal services payments	0	0	
11.9 Total personnel compensation	21,930	26,486	25,869
12.1 Civilian personnel benefits	6,136	7,478	7,314
13.0 Benefits for former personnel	2,208	2,009	2,009
21.0 Travel and transportation of persons	292	458	447
22.0 Transportation of things	95	604	314
23.1 Rental payments to GSA	7,206	7,689	8,191
23.3 Communications, utilities, and miscellaneous charges	12,304	14,536	13,190
24.0 Printing and reproduction	0	0	0
25.1 Advisory and assistance services	298	0	0
25.2 Other services	53,869	58,503	33,616
25.3 Other purchases of goods and services from Gov. accts.	47,913	52,453	77,239
25.4 Operation and maintenance of facilities	0	0	0
25.6 Medical Care			
25.7 Operation and maintenance of equipment	11,652	12,179	13,375
26.0 Supplies and materials	222,766	330,351	362,201
31.0 Equipment	9,371	9,846	9,051
32.0 Land and structures		0	
42.0 Insurance claims and indemnities	1	11	11
99.9 Total obligations	\$396,041	\$522,602	\$552,827

PERSONNEL SUMMARY

Identification Code	FY 2014	FY 2015	FY 2016
021-04-4520-0	ACTUAL	ENACTED	REQUEST
2001 Reimbursable civilian full-time equivalent employment	223	314	385

**OFFICE OF THE UNDER SECRETARY OF TRANSPORTATION FOR POLICY
FY 2016 RD&T PROGRAM SUMMARY**

RD&T PROGRAM: Transportation Planning, Research and Development

AMOUNT REQUESTED FOR FY 2016: \$10.019 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: (\$1,970,000 in contract/project development research)

Aviation Data Modernization: \$100,000

The Department's aviation data provides the information required to administer statutorily mandated aviation programs. The current system dates largely from the 1970s and needs to be updated to better address contemporary needs. The Aviation Data Modernization Program will

enhance the quality, utility and accessibility of the nation’s most important source of aviation data, and it will do so while reducing the reporting burden on the airline industry. It will also streamline the aviation data products that the Department disseminates, which will make it easier to use, and, therefore more valuable to the industry and to the public interests that use this data.

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 industry relies on this data for its usefulness in short term route planning and long term strategic planning.

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 \$100,000 in FY 2016 for development and proof of concept testing. It is expected that an agreed upon approach can result in a proposed rulemaking in FY 2016. Implementation will require significant redevelopment of the IT infrastructure required to house and disseminate Aviation Data. Planning and implementation of the new procedures that result from this rulemaking will take place by FY 2016.

Profit Essentials Software Support: \$75,000

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 the creation of 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).

Mexico-U.S. Civil Aviation Forum: \$100,000

The market for air transportation between the United States and Mexico is already large by global standards. But it has the potential to get much larger given a number of factors, such as positive economic trends in the United States facilitating increased international travel and the transformation and the development of the Mexican airline industry into a diverse industry with numerous players. These factors need further study and may enhance the negotiating position of the United States with Mexico. Additionally, it will benefit the United States to educate stakeholders about developments in U.S.-Mexico aviation, particularly stakeholders in Mexican civil society that could benefit from greater access to the global marketplace through aviation. In this study project, we envision selecting a contractor to organize and execute a one-time “Mexico-U.S. Civil Aviation Forum” at a venue in the United States or Mexico to be determined. The contractor will: (1) identify and contact key stakeholders in U.S.-Mexico aviation, including

airlines, airports, investors, government officials, representatives of the tourism industry, and business interests which can contribute to the dialogue and might benefit from the forum; (2) work under the supervision of DOT staff to outline an agenda of panel discussions and keynote speeches providing these stakeholders with a forum for further discussion of the issues; (3) under the supervision of DOT staff, plan and execute the logistics of the one-day forum on site; (4) if appropriate, produce a webcast of the event; (5) take notes of the forum and/or web-casting the event appropriate to produce a summary document for public consumption and (6) under DOT staff guidance, produce a summary document to be made available electronically to attendees and the general public.

The forum will provide DOT and the public with intelligence about emerging issues in U.S.-Mexico aviation, as well as a platform to discuss the value of international aviation to the economy. Aviation offices will ensure that all stages of planning and implementation compliment and support the ongoing aviation negotiations with Mexico.

The forum will be a collaborative effort among all three of the offices in DOT's Office of Aviation & International Affairs.

International Regulatory Cooperation and Research: \$50,000

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 2016 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 improve our understanding of the important U.S.-China market as Chinese carriers rapidly expand their market share.

As U.S. airlines seek to expand their services to 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: \$50,000

In 2008, DOT and the European Commission (DG Competition) launched a joint research project aimed at deepening each party's 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 2016 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.

Global Carrier Research: \$30,000

Major global and next-generation long-haul low-fare carriers in Asia, the Middle East and Europe are expanding in the United States, with future plans to add a significant amount of service. The emergence of the Gulf carriers, for example, has been a major development in airline competition, and it has positive and negative effects on the U.S. aviation industry. Other new and innovative competitors such as Norwegian, Hainan Airlines, and Air Asia X all have their sights on the U.S. market for the long term. The Department's goal has been to support a fair, competitive aviation industry that provides benefits to consumers and stakeholders in the U.S. aviation industry. Questions remain as to how these foreign carriers have grown so quickly and how they operate. Some of the questions regarding these carriers' operating strategies cannot be answered from current or publicly-available data sources. Discussion with aviation industry financial analysts, would give added insight into the state of competition. Ultimately, the strategic plans are best gleaned through direct, on-the-ground research. Greater understanding of these issues will allow the U.S. to make sound policy decisions that preserve fair and open competition needed to enhance the mobility and competitiveness of U.S. businesses and consumers.

Given the likely expansion of these airlines into U.S. markets, opening a constructive dialogue with certain key carriers and other affected entities would provide critical insights into the future of airline competition and would prepare the Department for any adjudicatory or informal matters that are raised by U.S. industry. It would also enable the Department to monitor industry developments and take more proactive measures to ensure fair competition for U.S. airlines and passengers.

Research funds would be dedicated to travel, data analysis, and other gathering of data and information, all in FY 2016, and all funding would be incurred by in house staff. Reports and conclusions will be generated for the benefit of U.S. government staff.

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, after the completion of systems development, will be limited to maintenance and calibration of the database software.

Women in Transportation: \$50,000

The project will build on ongoing efforts to advance Women in Transportation within APEC in other regions of the world. We will: (1) continue to collect data to measure progress related to gender policy; (2) build and update a compendium of best practices so each Economy can learn and improve from each other (3) continue a regular dialogue in APEC on Women in Transportation in the Transportation Working Group of APEC and other international forums; (4) hold a workshop to advance best practices in the development of women in the transportation workforce. 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.

National Export Initiative (NEI/NEXT): \$550,000

The Secretary of Transportation is a member of the Export Promotion Cabinet, which ensures the performance of the President's National Export Initiative (NEI), whose next phase is referred to as NEI/NEXT. Several key country markets have been identified for priority interagency focus under the NEI/NEXT. 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. Mexico and Canada have also been singled out at Administration priorities. 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 \$500 thousand is being used to continue funding research studies on transportation sector characteristics and markets in key NEI/NEXT countries. We are also exploring the feasibility of other priority markets as identified under NEI/NEXT. 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/NEXT countries, definitional studies are being conducted to consolidate information about the state and understanding of transportation standards in these countries. \$50,000 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, 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, staffed by OST/Policy, to coordinate multimodal freight planning and to implement the freight provisions of MAP-21. DOT has also established a National Freight Advisory Committee to provide recommendations aimed at improving the national freight transportation system. OST/Policy will support both the Freight Policy Council and the National Freight Advisory Committee with TPR&D funds.

Preparation of a Freight Conditions and Performance Report, development of improved freight data and planning tools, and preparation of a National Freight Strategic Plan will be resource-intensive activities. A revised version of the Freight Conditions and Performance Report is due in September 2016. The initial National Freight Strategic Plan (NFSP) will be completed in late 2015; forecasting and planning activities in preparation for the next NFSP five years will be ongoing. 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, and funding for freight forecasting to support the National Freight Strategic Plan.

Future Trends in Shale Development: \$500,000

With the new economic viability of recovery methods, gas production from shale resources continues to change the U. S. energy outlook. Research will be done to analyze future trends in shale development and the potential impact on the transportation system.

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 (JTRC), an organization that the United States supports both programmatically and financially. DOT's Operating Administrations have benefited from participation in JTRC 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.

Research on Improving Benefit-Cost Analysis: \$75,000

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. The Department has expanded 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 number of states and local authorities are making greater use of BCA in their own transportation infrastructure investment decision-making, but 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 2016 would be used to continue research initiated in FY 2012 on improving the methodology of transportation benefit-cost analysis. Research in FY 2015 and FY 2016 will focus on benefits of freight-related infrastructure investments, including benefits associated with reducing transit time for freight shipments and benefits of diverting freight from less energy-efficient modes to more energy-efficient modes.

Work in FY 2016 will also focus on economic development related benefits resulting from passenger-related investments, especially benefits for economically disadvantaged communities, including effects of transportation infrastructure investment on land use, trip lengths, agglomeration effects, option 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 liberalize the international aviation operating environment, the Department is seeking to facilitate the ability of U.S. airlines to use their available rights with the minimum necessary regulatory oversight and with access to necessary infrastructure available on a fair and transparent basis. Broad-based international adherence to practices that streamline the process of exercising bilateral rights, such as operating rights, marketing strategies and pricing initiatives, will yield significant benefits to airlines, U.S. communities, consumers and the U.S. economy.

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: \$100,000

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 first phase of APEC work complete, we anticipate extending the initiative with a second phase of work within APEC, as well as potentially expanding the initiative 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: (\$1,100,000 in contract/project development research)

Climate, Sustainability and Adaptation Policy: \$50,000

Requested funding would continue to advance research to support policy decisions and transportation response to emerging sustainability policies. The work will support a focus on resilience planning for the transportation sector, as well as alternative fuels and strategies to reduce transportation related pollution and impacts on the natural environment. 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 and resilience 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.

Historic Infrastructure Survey. \$50,000

This work would continue and complete work initiated in FY15 to survey historic rail bridges, other historic rail and public transportation infrastructure and additional survey of historic transportation infrastructure. The need for such a survey was identified in the DOT's March 2013 report to Congress on historic rail infrastructure, which describes how corridor or state-level surveys have helped jurisdictions determine the historic significance and eligibility of rail infrastructure for listing in the National Register of Historic Places. The research would support programmatic approaches to decision making and would provide a basis for a Section 106 program comment. Because the survey will result in a single national database of rail properties of historic significance, it will result in significant efficiency gains and time savings during project reviews that have in the past had to initiate their own lengthy and independent studies.

Resiliency Planning Technical Assistance: \$1,000,000

This project will provide research in the area of resilience planning which will provide methodological improvements and technical assistance to states and local and tribal communities in incorporating resilience into planning decisions.

Quality of Life in Communities Strategic Goal: (\$300,000 in contract/project development research)

Partnership for Sustainable Communities: \$100,000

DOT will fund projects jointly with other federal agencies through the Partnership for Sustainable Communities to provide tools, models, and case studies to support communities' efforts to become more livable. The Partnership brings together the work of USDOT, the Environmental Protection Agency, and the Department of Housing and Urban Development to better integrate Federal programs for transportation, housing, water and other infrastructure.

Specifically, the research will help HUD, EPA, and USDOT grantees develop planning tools that will enable regions to develop scenarios for future growth that take into account housing and transportation needs, residential preferences, and impact on energy, environment, and quality of life. The tools will be developed to apply to both transportation and housing investments, and will emphasize the need to provide greater resources to disadvantaged communities. In a companion project OST-P will work with FHWA on putting together a toolkit for communities, planners, and government officials looking for guidance and tools on creating resilient, sustainable, equitable communities. The research will continue to support and disseminate tools to help transportation agencies consider health and transportation linkages. 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.

Economic Impacts of Livable Communities: \$50,000

DOT will fund research into the economic impacts on 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. The project will build upon earlier assessment of how specific

transportation projects benefit the communities to study additional examples of the degree to which the projects improve access to jobs, services and affordable housing, attract new businesses and provide transportation options with reduced pollutant emissions. New studies will focus on innovative investments and new geographic areas in order to continue to expand the base of information about the economic impact of transportation investments. This ongoing research is a deliverable of the Partnership for Sustainable Communities.

Guidance on Estimating Property Value Benefits from Investments in Transit: \$150,000

DOT will conduct follow-up research in cooperation with FTA on estimating property value benefits from investments in transit. The first phase of the research reviewed the literature and established baseline parameters for estimating benefits. This phase of the research will expand on these parameters and develop procedures for practitioners to apply these results to their proposed transit projects. The research will ultimately develop a tool for analyzing and projecting whether and how a proposed transit improvement can increase local tax revenues, provide employment opportunities, attract retail businesses, improve access to public services and other benefits. This research is needed to assist transit agencies and local governments in planning innovative financing for public transportation projects and in projecting the impact of planned investments.

Safety Strategic Goal: (\$250,000 in contract/project development research)

Safety Research Coordination: \$150,000

This project would collaborate closely with the Safety Council, OST-R and the modes to identify safety research needs and promote dissemination of important safety research and data products. The Safety Council provides a forum to identify, prioritize and coordinate cross-modal safety challenges and emerging safety policy initiatives. The funding includes technical and logistical support of the DOT Safety Council, including monthly technical team meetings and as-needed Executive Council meetings to make decisions on critical cross-modal safety issues. Research will be associated with emerging and critical cross-modal safety issues, including driver distraction, pedestrian and bicycle safety, Bakken oil transportation issues, and other issues that emerge through Safety Council discussions. Research products will focus on cross-modal policy, investment and administrative solutions that will address identified barriers and continue to build a systematic approach to addressing transportation safety problems. 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.

Pedestrian and Bicycle Safety Initiative: \$100,000

This project will support the second year of a collaborative multi-modal project to identify solutions to persistent barriers to improved pedestrian and bicycle safety problems. Research issues are being identified during FY 2015 through the Pedestrian and Bicycle Safety Action Team and its outreach to stakeholders, university partners, and state and local practitioners. Research projects will include a focus on providing safe access to public transportation routes, removal of policy barriers that prevent installation of safer bicycle and pedestrian infrastructure, and other topics still being identified. Solutions-oriented research products will be developed in the form of toolkits, webinars, classroom instruction and other methods to ensure that research

findings can be applied by practitioners in State and local transportation agencies. The projects will help the Department reach its safety performance goals, and help State and local transportation agencies bring down the rate of pedestrian and bicycle fatalities and injuries.

OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY

RESEARCH & TECHNOLOGY COORDINATION

AMOUNT REQUESTED FOR FY 2016: \$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 2016 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). 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. In 2012 the site had 17,744 visits and 65,160 hits (a single visit may have multiple hits); in 2013 those numbers increased to 27,154 and 76,650, respectively.
- 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 2016 Funding: \$100,000

RD&T Strategies:

- Improve the transparency and accountability of DOT’s RD&T investments.
- Increase and leverage intermodal R&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 2016 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 2016 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 2016: \$499,000

Objective: To leverage funds across, and outside DOT to ensure the optimal development and deployment of alternative energy within our nation's transportation systems that guarantees the safety, economic value, mobile efficiency and environmental use of alternative energy pathways.

Description: The program is the only intermodal, multidisciplinary program assessing optimal development and deployment of alternative energy within 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, we would not have the ability to support, collaborate, and coordinate the development and deployment of alternative energy types; therefore, the opportunity for the public to benefit more in their choices 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 other non-government organizations focused on clean transportation advancement.

FY 2016 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.

UNIVERSITY TRANSPORTATION CENTERS PROGRAM

AMOUNT REQUESTED FOR FY 2016: \$83,636,000

Project: *Grant Management*

Objective: To manage and ensure proper execution of grants allocated to universities selected to receive University Transportation Center grants.

Description: 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.

Outputs:

- 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 and products for application to transportation systems.

RD&T Partners:

- Federal Aviation Administration
- Federal Highway Administration
- Federal Motor Carrier Safety Administration
- Federal Railroad Administration
- Federal Transit Administration
- Maritime Administration
- National Highway Traffic Safety Administration
- Office of the Secretary of Transportation
- Pipeline and Hazardous Materials Safety Administration
- St. Lawrence Seaway Development Corporation
- External stakeholders, including other Federal agencies, academic institutions, State DOTs, transit authorities, local, regional and state planning entities, local, state and regional governmental entities, and the private sector including owners and operators of transportation infrastructure.

FY 2016 Funding: \$83,636,000

RD&T Strategies:

Through the UTC Program universities are funded to conduct research and educational activities across the modes that will result in the following:

- Next generation technologies and products for the transportation sector.
- Reduced transportation congestion.
- Safer transportation systems.
- More-efficient and productive transportation systems.
- The next generation of transportation experts.

POSITIONING, NAVIGATION, AND TIMING

AMOUNT REQUESTED FOR FY 2016: \$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.

The Assistant Secretary for Research and Technology serves as the civil lead of the National PNT Architecture effort, a cross-modal interagency effort, to guide future PNT system-of-systems investment and implementation decisions.

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 2016 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 research and 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 to evaluate a proposal by 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 unlicensed wireless services in the same radiofrequency band.

INTELLIGENT TRANSPORTATION SYSTEMS PROGRAM SUMMARIES

AMOUNT REQUESTED FOR FY 2016: \$158,000,000

RESEARCH

AMOUNT REQUESTED FOR FY 2016: \$133,540,000

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:

- **Connected Vehicle Implementation.** This research program will fill any research gaps identified by the National Highway Traffic Safety Administration as needed to support light vehicle safety rulemaking efforts and will provide research to speed the adoption of these safety capabilities for heavy vehicles. This research will also develop the capability to use smart infrastructure to support warning drivers of road hazards such as intersection collision, slippery road surfaces, excessive speed on curves, and other conditions that present hazardous or dangerous conditions 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.
- This research will also provide resources to demonstrate, evaluate, and collect lessons learned on the implementation of vehicle to infrastructure safety, dynamic mobility applications, and AERIS applications in a region or multiple geographic regions. The research will provide valuable information to support the FHWA deployment guidance and accelerate implementation of connected vehicle systems by state and local agencies to increase mobility, freight efficiency, capacity, and provide transportation managers with the capability to manage the transportation network while accounting for environmental impact to increase fuel efficiency and decrease greenhouse gas emissions and particulate pollution.

Automation: This research will enable and accelerate the development and deployment of automated vehicles, ensure safe and efficient operations of emerging technologies and systems, and maximize public benefits by leveraging connected vehicle technologies, infrastructure-based solutions, and other approaches. Building upon the connected vehicle safety research the program would undertake three major pilot activities that could demonstrate and evaluate the

transformational potential of automated vehicles in a real-world environment while reducing deployment risks for industry and society. These research pilots would enable the definition of the required performance areas and objective and threshold performance criteria to allow the government, automotive industry, equipment manufacturers, and the standards development organizations to define the necessary preconditions needed to commercialize and deploy affordable automated vehicle fleets in the US with safety performance superior to today's human operated vehicles .

- **Data Systems:** This research will assess what traffic, transit and freight data are available today from various sources, and consider how to integrate multiple data streams including data from vehicles acting as "probes" in the system to increase mobility, efficiency, and capacity while decreasing congestion and travel times. The goal is to accelerate the adoption of transportation management systems that can be operated in the safest, most efficient and most environmentally friendly manner possible while alleviating current and future transportation challenges This research will also 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.

Emerging Technologies: This research includes technology scanning that explores how new and innovative technologies can be safely employed in the transportation sector to address current challenges. These emerging technologies such as advanced communications and sensing techniques require additional exploration prior to operational deployment and use. This research area also includes our small business innovation research (SBIR) program.

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.
- V2V rulemaking support
- 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.
- Design guidance, objective test procedures, and benefits estimation for automated driving applications.
- 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 2016 Funding: \$ 133,540,000

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 2016: \$18,460,000

Objective: To conduct cross cutting research to support the ITS Strategic Plan 2015 - 2019 goal areas of: **Interoperability** and **Adoption**. This intent of this work is to facilitate the implementation of technology research solutions into actual deployment and operations.

Description: The ITS Technology Transfer area consists of the following activities: professional capacity building, standards, architecture, certification, human factors, cybersecurity, independent evaluation, stakeholder outreach and engagement, deployment planning, and international standards harmonization. Professional capacity building involves the training of transportation professionals on the acquisition, use, and maintenance of ITS technologies in the transportation field. 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:

- Human factors research to support the safe and effective implementation of new transportation technology solutions
- Cybersecurity standards that prevent hacking, spoofing, and disruption of connected and automated transportation applications
- 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.
- Congressional Reports on Deployment Incentivization and ITS Adoption.

ITS Partners:

- AASHTO
- SAE
- IEEE
- ITE

- APTA
- ITSA
- CVTA
- Academia
- Private industry
- Training organizations

FY 2016 Funding: \$18,460,000

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, online 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.
- Professional capacity building conducted and delivered through a number of mechanisms to include: seminars, webinars, workshops, online training, and classroom training.

ITS PROGRAM SUPPORT

AMOUNT REQUESTED FOR FY 2016: \$6,000,000

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 (PMO) was established. The PMO 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 2016 Funding: \$6,000,000

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 IV-1
FY 2016 RESEARCH, DEVELOPMENT & TECHNOLOGY BUDGET REQUEST BY GOAL
DEPARTMENT OF TRANSPORTATION
BUDGET AUTHORITY
(in thousands of dollars)

	<u>FY 2014 ACTUAL</u>	<u>FY 2015 ENACTED</u>	<u>FY 2016 REQUEST</u>	<u>FY 2016 APPLIED</u>	<u>FY 2016 DEVELOPMENT</u>
A. Transportation Planning, Research & Development	<u>7,000</u>	<u>6,000</u>	<u>10,019</u>	<u>0</u>	<u>10,019</u>
OFFICE OF THE ASSISTANT SECRETARY FOR RESEARCH AND TECHNOLOGY					
B. Research & Development	<u>7,043</u>	<u>5,410</u>	<u>5,426</u>	<u>3,201</u>	<u>2,225</u>
Salaries and Administrative Expenses	4,425	2,792	2,808	2,106	702
Alternative Fuels Research & Development (R&D)	499	499	499	200	299
RD&T Coordination	509	509	509	364	145
Positioning, Navigation, and Timing	1,610	1,610	1,610	531	1,079
Competitive University Transportation Center (UTC)	[68,803]	[68,078]	[82,000]	[41,000]	[41,000]
Consortia (FHWA) ^{1/}					
Intelligent Transportation Systems ^{1/}	[94,900]	[93,900]	[158,000]	[96,795]	[0]

^{1/}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; and a clear description of the WCF work that is completed under the appropriations cap, exempt from the cap, and completed under reimbursable agreements.

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, Cyber Security Initiatives appropriations and has requested appropriations for Digital Services for FY2016.

The following table shows the breakout of funds for both offices.

TOTAL OBLIGATIONAL AUTHORITY BY OFFICE

(In thousands of dollars)

	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
Assistant Secretary for Administration				
Salaries and Expenses	26,378	25,365	27,611	2,246
Working Capital Fund				
DOT	110,863	113,500	120,938	7,438
NON-DOT	339,872	341,102	362,788	21,686
Reimbursable	1,558	1,787	1,836	49
TOTAL	478,671	481,754	513,173	31,419
Chief Information Officer				
Salaries and Expenses	15,695	15,500	16,880	1,380
Cyber Security Initiatives	4,455	5,000	8,000	3,000
Digital Services	0	0	9,000	9,000
WCF DOT Activities	67,137	68,000	69,101	1,101
WCF NON-DOT Activities	610	0	0	0
TOTAL	87,897	88,500	102,981	14,481

Major Responsibility
Source of Funds
FY 2016 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 2016, 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 2016
(\$000)**

Assistant Secretary for Administration - Salaries and Expenses \$27,611

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 \$483,726

DOT: \$120,938

NON-DOT: \$362,788

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

\$1,836

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 2016, the Office of the Chief Information Officer (OCIO) will administer four 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 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 2015 Cyber Security Initiatives appropriation.
- A Digital Services appropriation to create a Digital Services team to provide surge support for current projects and programs and the modernization of external and/or internal processes.

A specific breakdown of the uses of this funding request follows.

**FY 2016
(\$000)**

Office of the Chief Information Officer - Salaries and Expenses \$16,880

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. The OCIO also works closely with Budget and Procurement to lead IT investment governance.

Cyber Security Initiatives \$8,000

The DOT OCIO is requesting \$8.000 million of cyber security funding for FY 2016 to provide necessary resources for DOT to continue to improve the DOT’s cyber security posture. A major area of focus is to improve and expand the DOT Information Security and Continuous Monitoring (ISCM) program by updating the Trusted Internet Connection (TIC) and Continuous Monitoring tool. The Department has identified Managed Trusted Internet Protocol Services (MTIPS), a subscription service that ensures the TIC solution is kept up-to-date and can meet the rapidly changing requirements and potential threats.

Funding is also required to expand the licensing and deployment of the Department’s Continuous Monitoring (IEM) infrastructure (formally Big Fix) to incorporate devices and assets not covered within the scope of the original initiative, and not funded through the DHS Continuous Diagnostic Monitoring (CDM) program. DOT will also continue to focus on refreshing, strengthening, and modernizing Wide Area Network (WAN) Management by focusing on targeted, priority infrastructure in the field. These improvements will allow DOT to continue to replace infrastructure to support both OMB-mandated DOT network security requirements and network field integration. This increased data center space will allow DOT to migrate equipment and decommission legacy sites that are not secure. Funding will maintain the Secure Remote Access procured in FYs 2013 – 2014 to preserve the Department’s capabilities for remote and mobile employees. DOT will work to find opportunities to integrate these infrastructure improvements into the WCF through the IT Workforce Initiative.

Digital Services \$ 9,000

The Department is requesting funding to support a Digital Services team to strengthen high impact digital programs and projects, modernize external and internal processes, and improve stakeholder and data management tools. OCIO is working closely with the Operating Administrations to identify and prioritize key Digital Services projects that will have a high impact on the Department and Departmental stakeholders

Office of the Chief Information Officer - Working Capital Fund

\$ 69,101

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, IT engineering, DOT intranet/internet support and field support.

OCIO is working to realign and rebalance the number of federal employees (FTPs) to realize increased efficiency and improve the infrastructure of OCIO services. The realignment will include updated processes that improve efficiencies and eliminate redundancies. By the end of FY 2016 this will result in the elimination of 36 positions. Funding for the positions will be realigned from the OCIO's contract line item.

The following tables show the Budget Estimates, with a break out for both offices, for FY 2016, FY 2015, and FY 2014:

FY 2016 REQUEST BUDGET SUMMARY BY OFFICE

ASSISTANT SECRETARY FOR ADMINISTRATION

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	8,675	28,144	1,264
Travel	25	436	5
Other Costs	<u>18,911</u>	<u>455,146</u>	<u>567</u>
TOTAL	27,611	483,726 ^{1/}	1,836

1/ Of the \$484 million, \$369 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	60	0	0
Reimbursable Positions	0	224	9

OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Digital Services</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>					
Personnel Compensation and Benefits	10,028	5,039	0	6678	0
Travel	15	12	0	15	0
Other Costs	<u>6,837</u>	<u>64,050</u>	<u>8,000</u>	<u>2307</u>	<u>0</u>
TOTAL	16,880	69,101	8,000	9,000	0

STAFFING

Direct Positions	71	0	0	41	0
Reimbursable Positions	0	161	0	0	0
Contractor Positions Eliminated	5	100	0	0	0
New Federal Positions	5	66	0	0	0

FY 2015 ENACTED BUDGET SUMMARY BY OFFICE**ASSISTANT SECRETARY FOR ADMINISTRATION**

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,376	28,024	1,233
Travel	25	446	5
Other Costs	<u>17,964</u>	<u>426,132</u>	<u>549</u>
TOTAL	25,365	454,602 ^{1/}	1,787

1/ Of the \$454 million, \$343 million is for the Transit Benefits and Parking Program.

STAFFING

Direct Positions	59	0	0
Reimbursable Positions	0	219	9

OFFICE OF THE CHIEF INFORMATION OFFICER

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Cyber Security Initiatives</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>				
Personnel Compensation and Benefits	7,042	9,705	0	0
Travel	15	12	0	0
Other Costs	<u>8,443</u>	<u>58,283</u>	<u>5,000</u>	<u>0</u>
TOTAL	15,500	68,000	5,000	0

STAFFING

Direct Positions	52	0	0	0
Reimbursable Positions	0	95	0	0
Contractor Positions Eliminated	10	34	0	0
New Federal Positions	10	34	0	0

FY 2014 ACTUAL BUDGET SUMMARY BY OFFICE**ASSISTANT SECRETARY FOR ADMINISTRATION**

	<u>Salaries & Expenses</u>	<u>Working Capital Fund</u>	<u>Reimb Programs</u>
<u>FUNDING LEVELS</u>			
Personnel Compensation and Benefits	7,673	27,177	974
Travel	17	729	5
Other Costs	<u>18,688</u>	<u>422,829</u>	<u>579</u>
TOTAL	26,378	450,735 ^{1/}	1,558

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 & 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

Direct Positions	36	0	0	0
Reimbursable Positions	0	53	0	0
Contractor Positions Eliminated	1	23	0	0
New Federal Positions	1	21	0	0

The following tables show the total Working Capital Fund estimate and a break out for both offices.

**ASSISTANT SECRETARY FOR ADMINISTRATION
WORKING CAPITAL FUND
FY 2016 BUDGET ESTIMATE**
(In thousands of dollars)

Program	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
DOT Activities	110,863	113,500	120,938	7,438
Non-DOT Activities	339,872	341,102	362,788	21,686
Total	450,735	454,602	483,726	29,124
<u>Staffing</u>				
Reimbursable Positions	227	219	224	5
Reimbursable FTE	198	219	222	3

**OFFICE OF THE CHIEF INFORMATION OFFICER
WORKING CAPITAL FUND
FY 2016 BUDGET ESTIMATE**
(In thousands of dollars)

Program	FY 2014 Actual	FY 2015 Enacted	FY 2016 Request	Difference from FY 2015 Enacted
DOT Activities	67,137	68,000	69,101	1,101
Non-DOT Activities	610	0	0	0
Total	67,747	68,000	69,101	1,101
<u>Staffing</u>				
Reimbursable Positions	53	95	161	66
Reimbursable FTE	25	63	128	65
Contractor Positions Eliminated	23	34	100	N/A
New Federal Positions	21	34	66	N/A

The following tables display the WCF/OCIO cost estimates by Operating Administration:

Working Capital Fund

**Operating Administration Costs
And Other Expenses Estimate
(\$000)**

	FY 2014 Actual			FY 2015 Enacted			FY 2016 Request		
	WCF		Total	WCF		Total	WCF		Total
	Administration	OCIO		Administration	OCIO		Administration	OCIO	
Operating Administration									
OST	10,304	8,681	18,984	10,519	9,924	20,443	9,675	10,619	20,294
FAA	39,696	9,946	49,642	40,484	9,764	50,248	39,488	9,584	49,072
FHWA	12,193	16,176	28,369	11,626	16,718	28,344	15,015	17,768	32,783
FRA	4,225	3,830	8,054	3,822	3,746	7,569	4,116	4,177	8,293
NHTSA	6,087	6,136	12,223	5,998	6,275	12,273	5,628	6,538	12,166
FTA	3,861	4,513	8,374	3,812	4,758	8,570	3,767	4,908	8,675
SLSDC	225	434	658	289	436	725	284	457	741
VOLPE	908	204	1,111	860	207	1,067	1,451	101	1,552
MARAD	4,792	3,774	8,566	5,096	3,897	8,993	4,389	3,883	8,272
OIG	2,970	1,148	4,118	2,892	1,167	4,059	2,637	1,151	3,788
STB	197	44	241	277	44	321	244	44	288
FMCSA	5,912	3,692	9,604	5,486	3,932	9,419	5,770	4,400	10,170
OST-R	3,115	3,456	6,571	2,995	3,132	6,127	2,737	2,880	5,617
PHMSA	3,393	4,764	8,157	3,548	4,728	8,275	6,033	4,629	10,662
DOT Unspecified	1,105	5,360	6,465	1,277	3,571	4,848	5,987	1,372	7,359
SUBTOTAL	98,982	72,156	171,138	98,981	72,300	171,281	107,222	72,510	179,732
Other Expenses									
Capital Assets	91	5,405	5,496	865	5,220	6,085	0	5,220	5,220
Depreciation	(167)	(7,404)	(7,571)	(1,274)	(6,507)	(7,781)	(253)	(4,758)	(5,011)
Net NON-DOT Intrafund Costs	9,885	0	9,885	9,206	0	9,206	10,481	0	10,481
Net WCF Intra Fund Costs	2,071	(3,020)	(949)	5,721	(3,013)	2,708	3,488	(3,871)	(383)
TOTAL	110,862	67,137	178,000	113,500	68,000	181,500	120,938	69,101	190,039

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.

Customer Operating Costs:	<i>FY 2016</i> (\$000)
DOT Customer Total	172,373
DOT Unspecified	7,359
DOT Operating Administrations' Costs	<u>179,732</u>
Capital Assets	5,220
Depreciation	(5,011)
Net Non-DOT Intra Fund Costs	10,481
Net WCF Intra Fund Costs	<u>(383)</u>
Total WCF Obligations	190,039

The DOT unspecified amounts in FY 2016 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	\$275	Undetermined customer work load (Facilities Services)
Parking Management & Transit Benefits	\$5,520	Potential changes in participant benefits and addition of new customers
Security Operations	\$190	Possible increased work load for re-investigations and PIV card reissuance
Desktop Services	\$357	Changes in Customer Demand
Voice, Cable & Wireless	\$1,015	Changes in Customer Demand
Unemployment Compensation	\$2	Changes in Customer Usage
Total	\$7,359	

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)
Logistics and Support	Remedy Upgrade	\$ 270	48
Voice, Cable & Wireless	Additional Telecomm Infrastructure	\$ 750	36
Campus Area Network (CAN)	Network Infrastructure Optimization	\$ 1,550	48
Server Operations	Server Hosting/Infrastructure Build-out	\$ 2,000	48
Server Operations	Google Search Appliance	\$ 250	24
Directory & Messaging	Messaging Enhancements	\$ 400	48
	Total FY 2016 Assets	\$ 5,220	

The following tables show WCF obligations by business line:

**FY 2016 REQUEST
WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2016 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	7,743	0	7,743
Building Security	13,565	0	13,565
Commercial Services Management	65	0	65
COOP Facility	619	0	619
Copier, Printing & Multimedia	8,108	0	8,108
Crisis Management Center (CMC)	1,005	0	1,005
Disability Resource Center	2,399	280	2,679
Docket Services	1,535	583	2,118
E-Gov Initiative	4,656	0	4,656
Facilities Services & Utilities	10,566	339	10,905
Federal Laboratory Consortium	31	0	31
Financial Assistance Reporting System (FARS)	500	0	500
Financial Mgmt, Accounting, & Administration	7,163	0	7,163
Flexible Spending Account	363	0	363
Headquarters Space Management & WCF Rent	8,910	0	8,910
Human Resource Services	5,705	53	5,758
Human Resource Systems	20,287	0	20,287
Library & Information Services	1,473	0	1,473
Mail Services & Postage	3,147	0	3,147
News Media Services	430	0	430
Security Operations	6,060	0	6,060
Substance Abuse Awareness & Testing	2,987	3,180	6,167
Transit Benefits & Parking	10,613	358,353	368,966
Unemployment Compensation	2,009	0	2,009
Warehouse	999	0	999
Assistant Secretary for Admin Subtotal:	120,938	362,788	483,726
Chief Information Officer			
Campus Area Network (CAN)	6,647	0	6,647
Desktop Services	14,352	0	14,352
Enterprise Dashboard	752	0	752
Enterprise Licenses	3,642	0	3,642
Information Assurance & Privacy	14,791	0	14,791
Server & Messaging Services	14,673	0	14,673
Voice, Cable & Wireless	14,244	0	14,244
Chief Information Office Subtotal:	69,101	0	69,101
Grand Total:	190,039	362,788	552,827

**FY 2015 ENACTED
WCF DOT AND NON-DOT OBLIGATIONS BY BUSINESS LINE (\$000)**

<u>Description</u>	<u>DOT Obligations</u>	<u>Non-DOT Obligations</u>	<u>2015 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	4,930	0	4,930
Building Security	15,764	0	15,764
Commercial Services Management	65	0	65
COOP Facility	884	0	884
Copier, Printing & Multimedia	7,167	15	7,182
Disability Resource Center	2,245	280	2,525
Docket Services	1,816	301	2,117
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,924	349	11,273
Federal Laboratory Consortium	26	0	26
Financial Assistance Reporting System (FARS)	500	0	500
Financial Mgmt, Accounting, & Administration	7,191	0	7,191
Flexible Spending Account	363	0	363
Headquarters Space Management & WCF Rent	8,534	0	8,534
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
Security Operations	5,920	0	5,920
Substance Abuse Awareness & Testing	2,969	3,333	6,302
Transit Benefits & Parking	5,902	336,775	342,677
Unemployment Compensation	2,009	0	2,009
Warehouse	1,306	0	1,306
Assistant Secretary for Admin Subtotal:	<u>113,500</u>	<u>341,102</u>	<u>454,602</u>
Chief Information Officer			
Campus Area Network (CAN)	6,550	0	6,550
Desktop Services	17,399	0	17,399
Enterprise Dashboard	0	0	0
Enterprise Licenses	1,625	0	1,625
Information Assurance & Privacy	14,890	0	14,890
Server & Messaging Services	14,260	0	14,260
Voice, Cable & Wireless	13,276	0	13,276
Chief Information Office Subtotal:	<u>68,000</u>	<u>0</u>	<u>68,000</u>
Grand Total:	<u>181,500</u>	<u>341,102</u>	<u>522,602</u>

FY 2014 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>2014 Total</u>
Assistant Secretary for Administration			
Acquisition & Procurement Operations	5,260	0	5,260
Building Security	13,118	0	13,118
Commercial Services Management	65	0	65
COOP Facility	905	0	905
Copier, Printing & Multimedia	8,382	15	8,397
Disability Resource Center	2,268	280	2,548
Docket Services	2,081	249	2,330
E-Gov Initiative	4,693	0	4,693
Facilities Services & Utilities	10,691	346	11,037
Federal Laboratory Consortium	26	0	26
Financial Assistance Reporting System (FARS)	500	0	500
Financial Mgmt, Accounting, & Administration	6,821	0	6,821
Flexible Spending Account	363	0	363
Headquarters Space Management & WCF Rent	9,300	0	9,300
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
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
Assistant Secretary for Admin Subtotal:	<u>110,863</u>	<u>339,872</u>	<u>450,735</u>
Chief Information Officer			
Campus Area Network (CAN)	6,731	0	6,731
Desktop Services	18,242	0	18,242
Enterprise Dashboard	0	0	0
Enterprise Licenses	1,625	0	1,625
Information Assurance & Privacy	14,857	0	14,857
Server & Messaging Services	13,981	0	13,981
Voice, Cable & Wireless	11,701	610	12,311
Chief Information Office Subtotal:	<u>67,137</u>	<u>610</u>	<u>67,747</u>
Grand Total:	<u>178,000</u>	<u>340,482</u>	<u>518,482</u>