



Working Capital Fund Quarterly Execution Report

First Quarter, Fiscal Year 2016

February 8, 2016

Fiscal Year 2016 Report to Congress



Homeland
Security

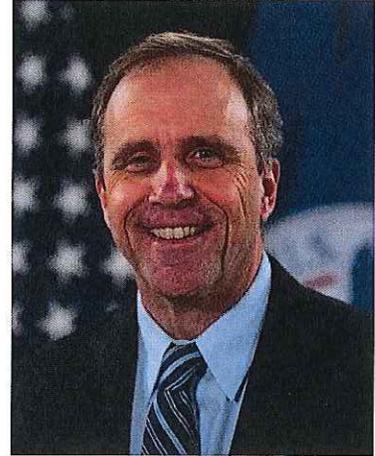
Office of the Chief Financial Officer

Message from the Chief Financial Officer

February 8, 2016

I am pleased to provide the following “Working Capital Fund Quarterly Execution Report” for the first quarter of Fiscal Year (FY) 2016, which has been prepared by the Office of the Chief Financial Officer.

This document has been prepared in response to requirements in the *FY 2016 Department of Homeland Security Appropriations Act* (P.L. 114-113) and accompanying Senate Report 114-68. Included in the report are the details of planned execution to actual obligations and expenditures, for each Working Capital Fund Activity, through December 31, 2015.



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

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

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

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

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

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

Sincerely,

A handwritten signature in black ink, appearing to read "Chip Fulghum". The signature is stylized and written over a horizontal line.

Chip Fulghum
Deputy Under Secretary for Management and Chief
Financial Officer



Working Capital Fund Quarterly Execution Report First Quarter, Fiscal Year 2016

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I. Legislative Language

This document has been prepared in response to the *Fiscal Year (FY) 2016 Department of Homeland Security Appropriations Act* (P.L. 114-113) and accompanying Senate Report 114-68.

Specifically, P.L. 114-113 states:

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

Senate Report 114-68 states:

Section 504. The bill includes a provision relating to the Department's Working Capital Fund [WCF]... The WCF table included in the Department's congressional justification accompanying the President's fiscal year 2016 budget shall serve as the control level for quarterly execution reports submitted to the Committee not later than 30 days after the end of each quarter. These reports shall identify any activity added or removed from the fund.

II. WCF First Quarter Execution Report

Formula	A		B		C		D		E		F		G		H		I		J		K
	Planned		Total Cmmt	Actual Execution		Summary Data		Projections		Projected Q4 Execution ⁷	Explanations on Low Execution Rates (Column G)										
	FY 2016 Annual Plan ¹	Planned Execution ²		Actual Obligations ³	Actual Expenses ⁴	D + E	B - F	Projected Q2 Execution ⁵	Projected Q3 Execution ⁶												
GSA RENT	142,657,679	38,677,177	-	12,133,132	10,263,287	22,396,419	16,280,758	34,642,581	34,800,860	34,537,061	Currently reconciling GSA Rent invoices received late in December for payment in January.										
Finance & Acctg Shared Services	25,513,055	6,378,264	-	6,378,264	-	6,378,264	-	6,378,264	6,378,264	6,378,267											
Integrated Audit	14,185,091	14,185,091	-	-	-	-	14,185,091	-	-	-	Low execution in the Integrated Audit activity is due to the delay in receiving the FY 2016 audit estimate from the Office of Inspector General. DHS expects to have this by 1/15/2016, and the goal is to have the funds fully obligated by 2/1/2016.										
Financial Management Support (OFO)	5,400,000	1,259,250	-	132,742	891,265	1,024,007	235,243	1,380,250	1,380,250	1,380,250	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval.										
Bankcard Program	47,000	47,000	-	44,000	(99)	43,901	3,099	-	-	-											
TIER	941,000	291,000	-	127,916	63,958	191,874	99,126	263,000	192,000	195,000	Low execution in the TIER activity because the Chief Information Office raised the rates for hosting the servers and Financial Management (FM) did not agree with the change. As a result, FM is only obligating 3 months of the requirement, opposed to the full year that was originally budgeted in the 1st quarter; the goal is to have the funds obligated by 2/1/2016.										
NFC Payroll Services & Reporting	38,950,700	38,950,700	-	-	-	-	38,950,700	-	-	-	Due to the CR, the full funding was not allotted in a substantial amount of time to get the PR processed. Funds will be fully obligated in 2nd Qtr.										
HQ Human Capital Services	12,859,132	3,242,934	19,638	485,202	2,159,504	2,644,706	598,228	3,161,894	3,654,932	2,799,372	Low execution rate is a result of salary lapse.										
Human Capital Business Systems (HCBS)	6,906,363	3,183,984	249,477	166,059	838,075	1,004,134	2,179,850	928,628	1,273,409	1,520,341	Due to the CR, the full funding was not allotted in a substantial amount of time to get the ESDO-DCIO/OCHCO consolidated MOA PR processed in the amount of \$1.9M. This PR will be fully obligated in the 2nd Qtr.										
Flexible Spending Plan	1,286,458	514,582	-	-	-	-	514,582	-	771,873	-	Encountered billing issues with the 1st Qtr. invoices. Obligation will occur in 2nd Qtr.										
DHS EXEC. LEAD. (SES CDP)	2,175,029	366,952	-	82,415	66,575	148,990	217,962	834,829	864,421	108,827	Low execution rate is a result of salary lapse.										
HQ Leadership Development	196,841	196,841	-	169,930	-	169,930	26,911	-	-	-	The bill for Treasury Executive Institute (TEI) came in less than the projected amount due to change in the number of participants. The delta will be returned to the components.										
National Defense University	829,138	210,286	-	25,789	50,211	76,001	134,285	203,390	224,076	191,386	Low execution rate is a result of salary lapse.										
Research Library & Information Services (RLIS)	10,594,678	7,888,270	828,449	6,426,680	452,805	6,879,485	1,008,785	478,175	2,082,033	146,201	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval. Procurement actions to be executed in Q2-Q4 timeframe.										
DHS One Net	64,539,279	35,916,630	10,584,616	3,273,413	719,643	3,993,056	31,923,574	3,662,603	22,930,156	2,029,890	As of December 21, total funding received \$14,605,169 and COE totalled \$14,577,672, a committed plus execution rate of 99.9%. Additional funding received on December 22; \$24,9740,64.29 will be obligated in the 2nd Qtr.										
NCR Infrastructure Operations	115,740,961	45,993,000	11,933,883	5,585,042	3,723,242	9,308,283	36,684,717	34,988,000	22,988,000	11,771,961	Requirements totaling \$24.1M are currently progressing through various stages of acquisitions, while \$4M are in the final stages of awards.										
CLAN Operations	23,609,470	18,054,428	514,164	171,434	4,780	176,214	17,878,214	3,235,312	2,237,230	82,500	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval. Procurement actions to be executed in Q2-Q4 timeframe.										
Enterprise Licenses Agreements	176,183,610	242,581	-	86,282	104,735	191,017	51,564	17,069,938	95,795,938	63,075,153	As of December 24, total funding received \$242,581 and total COE totalled \$51,564, an execution rate of 79%. Remaining available funding, \$51,564 will be obligated in the 2nd Qtr.										
Procurement Operations	44,196,795	11,659,635	-	2,323,392	8,202,124	10,525,516	1,134,119	10,926,444	13,518,123	8,092,593	Low execution rate is a result of salary lapse.										
HSPD-12	21,941,283	2,397,141	189,455	888,289	366,410	1,254,700	1,142,441	9,751,079	9,424,548	368,515	Low execution rate of in 1st quarter due to in-transit/pending procurements for the HSPD-12 program and acquisition delays while under the continuing resolution.										
e-Training	8,108,473	3,042,453	-	68,585	241,452	310,036	2,732,417	374,271	2,133,769	2,557,980	Due to the CR, the full funding was not allotted in a substantial amount of time to obligate the Skillsoft PR in the amount of \$2.6M.										
Mail Services	16,573,028	15,752,870	249,082	2,094,004	77,839	2,171,843	13,581,026	268,560	300,490	251,107	The remaining funds for the Mail Contract will be used to fully fund the Mail Contract by the end of January 2016. \$26,947 for the WCF will be obligated on 1/19/2016.										
Parking Services	645,683	146,054	-	71,738	42,275	114,013	32,041	48,188	181,787	269,655	Execution in the amount of \$7,486 will be obligated on 1/19/2016. The Parking contract was awarded at a lower amount because customers removed some parking participants for the parking program.										

Formula	A		B		C		D		E		F		G		H		I		J		K	
	Planned		Actual Execution		Summary Data		Projections															
	FY1 2016 Annual Plan ¹	Planned Execution ²	Total Cmmt	Actual Obligations ³	Actual Expenses ⁴	Total Obligated/Expended	Delta	Projected Q2 Execution ⁵	Projected Q3 Execution ⁶	Projected Q4 Execution ⁷	Explanations on Low Execution Rates (Column H)											
Sedan Services	1,661,400	287,162	-	17,742	56,972	74,714	212,448	81,750	1,221,563	70,926	Due to the CR, the full funding was not allotted in a substantial amount of time to get the PR processed. Award will commence on 2/26/16 in the amount of \$967,736. The Sedan activity also is expecting \$14,659 WCF obligated on 1/19/16.											
Shuttle Services	1,166,005	213,226	105,574	13,254	43,196	56,449	156,777	850,720	62,012	40,047	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval. The Shuttle Activity will obligate funds of \$11,710 on 1/19/2016.											
Transit Subsidy	5,601,969	340,526	-	187,461	64,472	251,933	88,593	97,297	5,087,163	76,984	The Transit activity still has \$17,505 WCF obligated. The amount obligated on the Transit contract was reduced to avoid obligating too much funding on the contract because a lot of the Transit participants do not use all of the funds they request, which results in large credits on the invoices. About \$60,000 can be moved to the 3rd quarter.											
Regulatory Services	399,747	79,950	-	-	-	-	79,950	119,925	199,872	-	Encountered billing issues with the 1st Qtr. Invoices. Vendor failed to submit correct invoice for payment.											
Fee-For-Service Total	742,909,867	249,517,986	24,674,336	40,952,765	28,432,721	69,385,486	180,132,500	129,745,098	227,702,768	135,944,016												
Interagency Council Funding	833,830	-	-	-	-	-	-	-	833,830	-												
USA Jobs	1,080,469	1,080,469	-	-	-	-	1,080,469	-	-	-	Due to the CR, the full funding was not allotted in a substantial amount of time to get the PR processed. Funds will be fully obligated in 2nd Qtr.											
Enterprise HR Integration (EHR1)	3,115,342	3,115,342	-	-	656,759	656,759	2,458,583	-	-	-	Due to the CR, the full funding was not allotted in a substantial amount of time to get the PR processed. Funds will be fully obligated in 2nd Qtr.											
e-Rulemaking	725,532	-	-	-	-	-	-	-	725,532	-												
Human Resources Line of Business	260,870	260,870	-	78,261	-	78,261	182,609	-	-	-	Due to the CR, the full funding was not allotted in a substantial amount of time to get the PR processed. Funds will be fully obligated in 2nd Qtr.											
e-gov/Benefits	226,453	-	-	-	-	-	-	-	226,453	-												
Financial Management LOB	187,342	-	-	-	-	-	-	-	187,342	-												
Geospatial LOB	225,000	-	-	-	-	-	-	-	225,000	-												
Budget Formulation & Execution LOB	105,000	-	-	-	-	-	-	-	105,000	-												
e-gov/Integrated Acquisition Environment	1,727,136	-	-	-	-	-	-	1,727,136	-	-												
Disaster Management	11,170,000	190,048	-	-	-	-	190,048	2,944,885	6,373,000	1,662,067	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval. Procurement actions to be executed in Q2-Q4 timeframe.											
IAE Loans & Grants	220,784	-	-	-	-	-	-	220,784	-	-												
e-Integrated Financial Assistance Environment	472,485	330,995	-	-	-	-	330,995	-	-	141,490	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval. Procurement actions to be executed in Q2-Q4 timeframe.											
Performance Management LOB	53,000	53,000	-	-	-	-	53,000	-	-	-	Due to the CR, the full funding was not allotted in a substantial amount of time to get the PR processed. Funds will be fully obligated in 2nd Qtr.											
Government-Wide PPA Total	20,403,243	\$ 5,030,724.00	\$ -	78,261	656,759	735,020	4,295,704	4,892,805	8,676,157	1,803,557												

Formula	A	B		C	D		E	F		G	H	I		J	K
		Planned			Actual Execution			Summary Data				Projections			
FY 2016 WCF Service Portfolio	FY16 Annual Plan ¹	Planned Execution ²	Total Cmmt	Actual Obligations ³	Actual Expenses ⁴	Total Obligated/Expended	Delta	Projected Q2 Execution ⁵	Projected Q3 Execution ⁶	Projected Q4 Execution ⁷	Explanations on Low Execution Rates (Column H)				
Capital Planning and Investment Control (CPIC)	6,946,416	2,377,873	247,688	-	-	-	2,377,873	1,192,223	2,480,025	896,295	In December, EBMO signed an MOU with ESDO for hosting services (\$111,271.73). \$10,806.89 will be committed in January with the remainder in June - however the period of performance for services is 1/1/2016 - 12/31/2016. \$911,600.59 will be committed mid-January from the Management Cube LoA. The low rate of commitments is due to the delay in getting the MOUs signed.				
Strategic Sourcing	1,910,169	425,921	-	44,189	236,074	280,263	145,658	413,700	565,825	504,723	DHS was operating under a CR for the 1st quarter of FY 2016 and did not execute its full budget, as procurement awards require the full funding before approval. Procurement actions to be executed in Q2-Q4 timeframe.				
CPO Shared Reporting	4,966,443	600,000	310,591	-	-	-	600,000	2,000	600,000	3,764,443	Q1 funding totaling \$548,529 has been committed, obligated or reserved via customer coordination form. \$295,869 has been obligated via contract award. \$14,721 is pending procurement action. \$237,939 reserved via customer coordination form to DCIO for hosting and ISSO services.				
DHS Crosscutting PPA Total	13,823,028	\$ 3,403,794.02	\$ 558,278.93	44,189	236,074	280,263	3,123,531	1,607,923	3,645,850	5,165,461					
Working Capital Fund Operations	1,335,671	349,450	-	61,014	184,113	245,127	104,323	322,385	379,580	284,256	Underexecuted due to delayed hiring actions of new hires and unfilled vacancies.				
Working Capital Fund Operations	1,335,671	\$ 349,450.00	\$ -	61,014	184,113	245,127	104,323	322,385	379,580	284,256					
Total	778,471,809	\$ 258,301,953.85	\$ 25,232,615.15	41,136,229	29,509,667	70,645,896	187,656,058	136,568,211	240,404,355	143,197,290					

Legend:

¹ Annual Plan under the FY 2016 Annual Plan.
² Cumulative planned obligations and/or expenditures as of the end of the current quarter according to program office's spend plan.
³ Total cumulative FY 2016 funds obligated but not expended in the financial system through the end of the current quarter.
⁴ Total cumulative FY 2016 actual expenditures through the end of the current quarter.
⁵ Planned obligations and/or expenditure through the end of the 2nd Quarter according to the program office's spend plan. These amounts are based on the FY 2016 beginning-of-year (BOY) level.
⁶ Planned obligations and/or expenditures through the end of the 3rd Quarter according to the program office's spend plan. These amounts are based on the FY 2016 BOY level.
⁷ Planned obligations and/or expenditure through the end of the 4th Quarter according to the program office's spend plan. These amounts are based on the FY 2016 BOY level.